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Vancouver, B.C.
April 29, 1988

To The Lieutenant Governor in Council

MAY IT PLEASE YOUR HONOUR :

We respectfully submit this report on the activities of the British Columbia Utilities Commission for the calendar year 1987.

BRITISH COLUMBIA UTILITIES COMMISSION

JOHN G. McINTYRE, Chairman

J.D.V. NEWLANDS, Deputy Chairman

D.B. KILPATRICK, Commissioner

N. MARTIN, Commissioner

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INTRODUCTION

The British Columbia Utilities Commission ("BCUC") is a regulatory agency of the Provincial Government operating under, and administering the Utilities Commission Act ("the Act"). The Commission's primary responsibility is the regulation of the energy utilities under its jurisdiction so as to ensure that the rates charged by those utilities are not unjust or unreasonable, and that those utilities conduct their operations in a manner so as to ensure adequate and secure service to their customers. The Commission's function is quasi-judicial and its Decisions and Orders may be appealed only to the Court of Appeal on questions of law or excess of jurisdiction.

The Commission also functions in a lead role in the administration of the Energy Review Process, as set out in Part 2 of the Act. The Commission's responsibility in that procedure is the review and evaluation of any energy related projects designated by Cabinet as subject to Part 2 of the Act. The Commission's review and evaluation involves public hearings, and normally requires a report and recommendations to the Lieutenant- Governor in Council. When so directed by the Commission, the staff assess applications, submissions and complaints made to the Commission. Applications are principally concerned with matters relating to revenue requirements, rate design, facilities and financing.

Effective November 1, 1987 Mr. John G. McIntyre replaced Mrs. Marie Taylor as Chairman and Chief Executive Officer of the Commission. Mrs. Taylor had served in that capacity since 1980. Mr. McIntyre brings to the Commission an extensive background in the petroleum industry.

The Commission's regulatory responsibility involves the following reporting utilities:

Type	Number	1987 Calendar Year Revenues	Customers
Electric	5	$1,544,449,000	1,322,038
Gas	10	589,359,000	560,400
Steam	1	5,094,000	100
TOTALS	16	$2,138,902,000	1,882,538

GAS

The year 1987 saw intensive activity in the matter of gas transportation rates as more industrial customers recognized the variety of options available under government deregulation policies of gas pricing.

The Inland Natural Gas Co. Ltd. ("Inland") case illustrates the complexities involved in establishing gas transportation rates. Following customer complaints in late 1986, the Commission had undertaken to review Inland's transportation rates as part of a general rate design hearing scheduled for February 1987. The rate design hearing was first postponed a month and later adjourned two months so that negotiations on transportation rates could be pursued by Inland and its industrial customers.

When the hearing was reconvened in May, it was decided to dedicate it fully to the matter of transportation rates with other rate design matters to be discussed in a second phase. The Commission decision on Inland's transportation rates was issued in June 1987. Inland then filed new rate schedules to comply with this decision. However, in October of 1987, the Commission found it necessary to hold a further inquiry under Section 93(2) of the Utilities Commission Act into detailed customer complaints regarding the terms and conditions of these new rate

schedules. The two main concerns were the force majeure and indemnity clauses. The Director of Engineering was appointed to undertake the inquiry and report to the Commission January 1988.

Further Commission activities during 1987 on Inland's transportation rates involved applications for Energy Project Certificates by three of Inland's industrial customers to build bypass pipelines. Inland successfully negotiated with two of the customers; Prince George Pulp and Paper Limited and Husky Oil Operations Ltd. with the result that these bypass applications were withdrawn following Commission approval of the rates. In the case of the third customer, Northwood Pulp and Paper Ltd., a Commission hearing was commenced in September 1987. As a result of this hearing, Northwood was denied the application to construct the bypass pipeline and Inland was instructed to provide transportation service at a rate competitive to bypass. This decision sets the framework for resolution of future bypass confrontations without divisive, costly hearings between the utility and its industrial customers.

Finally, on the subject of gas transportation rates, the Commission instructed the Director of Engineering, pursuant to Section 93(2) of the Utilities Commission Act to inquire into a complaint by Chatterton Petrochemical Corporation Ltd. against B.C. Hydro and Power Authority ("B.C. Hydro"). This inquiry led to B.C. Hydro placing collected indemnification revenues of $.19/GJ into a deferred account. The status at year-end was that in a future rate design hearing, the Commission would determine whether some portion of the $.19/GJ was to be refunded to Chatterton retroactive to October 1, 1987.

In contrast to the busy year regarding gas transportation issues, 1987 was relatively quiet for major gas utility construction projects with only two Certificates of Public Convenience and Necessity being issued.

The first Certificate was issued to Inland Natural Gas Co. Ltd. for construction of a 11.3 kilometer pipeline looping project on their Salmon Arm Lateral to accommodate increased demand. The project was completed during the summer of 1987 at a cost of approximately $735,000.

The second Certificate was issued to ICG Utilities (British Columbia) Ltd. "to provide gas service by underground distribution to commercial and residential customers within the boundaries of the Resort Municipality of Whistler."

Amendments to Part 7 of the Pipeline Act enacted in 1987 have resulted in responsibility for economic regulation of intraprovincial oil pipelines being transferred from the Ministry of Transportation and Highways ("MTH") to the Utilities Commission. Responsibility for safety regulation of these oil pipelines remains with MTH.

ELECTRICITY

The well publicized provincial electricity surplus in part prompted the Provincial Government to institute measures to facilitate extensions to large industrial customers. The year 1987 saw policies introduced whereby B.C. Hydro was required to absorb more than its usual allocation of costs of new connections and upgrades for large industrial customers. These policy changes were also intended to accelerate integration of remote communities into the main B.C. Hydro grid and stimulate economic growth in isolated areas.

The electricity surplus on the B.C. Hydro system also spawned, in 1987, the introduction of discount rates to accommodate interruptible electric space and water heating under conditions where an approved back-up system was in place. This program, called "Electric Plus", is scheduled to

be in effect until March 30, 1991. Thereafter the rates to be charged will be no greater than that of an equivalent oil-fired system.

A Certificate of Public Convenience and Necessity was issued to Alberta Power Limited for construction, operation and maintenance of a 1.6 Km three-phase 25 KV electrical distribution to provide electric service to a 2,000 H.P. compressor station owned by Canadian Hunter Exploration Ltd.

In 1987, pursuant to an application by Canadian Forest Products Ltd., a Commission hearing concluded with the direction to B.C. Hydro to provide electricity service to the community of Woss (on Vancouver Island) at no cost to the community other than the standard connection charges. The order also included provisions for a distribution extension to Nimpkish which was to be implemented as an extension from Woss, in accordance with the existing Terms and Conditions of B.C. Hydro's Electric Tariff.

The Regional District of Mount Waddington and B.C. Hydro could not reach an accord on an adequate level of capital contribution for an extension to Winter Harbour (on Vancouver Island). The main item of contention related to the access road along which the line was to be routed. This road was not classified as a public road, therefore B.C. Hydro believed that its extension policy precluded the application of Rural Electrification Assistance funding to this extension, which would have amounted to $290,000 in capital contribution. The Regional District did not agree with Hydro's determination and therefore solicited the Commission's intervention in this dispute. The Commission succeeded in getting the parties together again to explore possibilities for a compromise solution. The two parties were still negotiating at year's end.

The City of Nelson continued negotiations during 1987 with West Kootenay Power and Light Company, Limited ("WKPL") and B.C. Hydro regarding storage of the City's potential surplus energy in B.C. Hydro's reservoirs. This necessitated wheeling the surplus energy through WKPL's system. These negotiations were initiated by a 1986 Commission Order following a complaint by the City of Nelson that off-peak surplus energy from its generating plants was flowing into the WKPL system with no credit or compensation accruing to the City. The Commission has been monitoring progress on negotiations which were still continuing at year's end.

Central Coast Power Corporation ("CCPC") completed construction of a 25kV, three phase line from Ocean Falls to Bella Bella to provide hydro-electric service to B.C. Hydro's diesel service area at Bella Bella.

CCPC has recently assumed ownership and operating responsibility for the Ocean Falls generating facilities and was granted certain exemptions from the Utilities Commission Act. However, during the year, the Commission received several written complaints from customers served by CCPC in the general area of Ocean Falls, and therefore issued an Order initiating an inquiry into these complaints. The report on the inquiry was to be completed by the end of January 1988.

In December 1987, WKPL made application to the Ministry of Energy, Mines and Petroleum Resources for an Energy Project Certificate to construct a 140 Megawatt gas turbine generating plant in the Okanagan Valley. The Minister of Energy, Mines and Petroleum Resources together with the Minister of Environment have since referred the application to the Commission for review under Section 19(1)(a) and Section 20 of the Utilities Commission Act.

WKPL's supporting rationale for the installation of such a plant cited a need to lessen the amount of firm peaking capacity and energy nominations from B.C. Hydro. In addition, the gas turbines are intended to back up inexpensive non-firm surplus energy from Cominco Ltd. WKPL contended that the gas turbines are the most economical alternative for the ability to meet future loads. In light of the nature of the proposed installation, public hearings are planned in the Okanagan Valley.

TELECOMMUNICATIONS

In April 1987, Federal, Provincial and Territorial Ministers of Communications agreed to review the issue of competition in public long-distance services. Accordingly, an examination panel, comprised of representatives of various provincial regulatory agencies, the CRTC and in some instances provincial governments, was assigned to carry out the review as provided in terms of reference issued by the Communications Ministers.

This Commission is participating in the examination which is scheduled for completion in 1988. This is the second time the Commission has been involved in a broad study dealing with telecommunications matters. It previously participated in the 1986 Federal/Provincial Examination of Telecommunications Pricing and Universal Availability of Affordable Telephone Service.

FINANCIAL, ACCOUNTING AND TARIFFS

The year 1987 was characterized as a year of consolidation for the B.C. utility sector in terms of ownership, returns and load retention. Pressure continued to be put on margins of the gas distribution utilities through threat of loss of sales in the industrial sector. Lowering of the cost of

money and consequent lowering of awarded returns has encouraged those utilities on higher allowed returns, set in prior years, to accept a reduction. In the electric sector, B.C. Hydro avoided rate adjustments, helped in part by its performance in the export market and a write-down of the Rate Stabilization Account as at March 31, 1987.

A major event in the regulatory calendar was the public hearing of UtiliCorp United's proposed purchase of WKPL. The Commission heard an Application by UtiliCorp United Inc., UtiliCorp British Columbia Ltd., and WKPL requesting the Commission to approve the purchase of all classes of outstanding shares of WKPL by UtiliCorp B.C., a wholly-owned subsidiary of UtiliCorp Inc. of Kansas City, Missouri. There was wide and intensive public participation at the hearings that took place in the service area. It was clear that the ownership of WKPL was of deep concern to many of WKPL's customers. The hearing took 25 days, extending over a period of four months. In approving the Application, the Commission listed 11 conditions that were integral to the Decision. The Commission made it clear that approval of the Application was based, in part, on the protection of the public interest for which the conditions provide.

Many changes, authorized by the National Energy Board ("NEB"), occurred in the rates charged by Westcoast Transmission to the B.C. natural gas distribution utilities. These adjustments were either "passed through" under Section 67(4) of the Act, which allows for an inquiry to be set down within 60 days upon complaint or on the Commission's own motion, or dealt with by accounting orders when changes were seen as only temporary in nature.

The Commission issued revenue requirement Decisions with respect to Columbia Natural Gas Limited, WKPL, and Inland. These Decisions, issued after public hearings, approved rate increases of 2.4%, 4.9% and

0.35% respectively. Interim awards had been given, and the Decisions concerning WKPL and Inland involved customer refunds of some magnitude.

The Inland case heard evidence with respect to the use of a "utility" versus a consolidated capital structure for the purpose of setting customer rates. Although the Commission found in favour of the "utility" method, it never the less ordered that a lower common equity component than that put forward by Inland be recognized.

In November 1987 the Commission heard an Application by Inland to acquire all outstanding shares of Squamish Gas Co. Ltd. ("Squamish") held by Superior Propane Inc. The Application involved an arrangement whereby, on approval, the assets of Granisle Grid System would be held by Squamish and operated as a separate regulatory unit. In its approval the Commission made some stipulations which included the recognition that no specific dollar value be assigned for regulatory purposes to the assets of the Granisle Grid System.

The Commission continues to conduct regular periodic financial reviews and tariff audits of the utilities in its jurisdiction. One purpose of the financial reviews is to monitor actual performance in comparison to the forecast test year projections on which the utility's rates are based. The objective of performing tariff reviews is to test adherence to Commission orders, policy and accepted procedures.

The reporting format for the Utility Annual Report to the Commission is being updated so that the report matches the format of a utility's application on which customer rates are based. The revision is particularly appropriate in the comparison of the "test" year, based on forecast, with actual results and should result in significantly reduced costs.

APPENDIX I

REGULATED PUBLIC UTILITIES LOCATED IN BRITISH COLUMBIA

UTILITY	HEAD OFFICE	SERVICE AREA
Crown-Owned Electric Utility		
British Columbia Hydro and Power Authority	970 Burrard Street Vancouver, B.C. V6Z 1Y3	Province of B.C. (except areas served by the following utilities)
Municipally-Owned Electric Utilities*		
City of Grand Forks	Box 220 Grand Forks, B.C. V0H 1H0	Grand Forks, B.C.
City of Kelowna	1435 Water Street Kelowna, B.C. V1Y 1J4	Kelowna area, B.C.
City of Nelson	502 Vernon Street Nelson, B.C. V1L 4E8	Nelson area, B.C.
City of New Westminster	511 Royal Avenue New Westminster, B.C. V3L 1H9	New Westminster, B.C.
City of Penticton	616 Okanagan Avenue East Penticton, B.C. V2A 3K6	Penticton area, B.C.
District of Summerland	Box 159 Summerland, B.C. V0H 1Z0	Garnet Valley, B.C.

* Only service outside Municipal Boundaries is subject to regulation by the British Columbia Utilities Commission.

Investor-Owned Electric Utilities

Hemlock Valley Electrical Services Limited	Box 7, Site 2 R.R. #1 Agassiz, B.C. V0M 1A0	Hemlock Valley, B.C.
Princeton Light and Power Company, Limited	Box 700 Princeton, B.C. V0X 1W0	Princeton area, B.C.
West Kootenay Power and Light Company, Limited	Waneta Plaza 8100 Rock Island Highway Trail, B.C. V1R 4N7	West Kootenay, and Okanagan areas of B.C.
Yoho Power Ltd.	#800-1176 W. Georgia Vancouver, B.C. V6E 4A2	Field, B.C.
Yukon Electric Co. Ltd.	Box 4190 Whitehorse, Yukon Territories Y1A 3T4	Lower Post,

Crown-Owned Gas Utility

British Columbia Hydro and Power Authority	970 Burrard Street Vancouver, B.C. V6Z 1Y3	Lower Mainland area and Victoria, B.C.

Investor-Owned Natural Gas Utilities

Columbia Natural Gas Limited	P.O. Box 12503 1066 West Hastings Street Vancouver, B.C. V6E 3G3	East Kootenays, B.C.
Fort Nelson Gas Ltd.	P.O. Box 12503 1066 West Hastings Street Vancouver, B.C. V6E 3G3	Fort Nelson area, B.C.

Investor-Owned Natural Gas Utilities (Cont'd)

ICG Utilities (British Columbia) Ltd.	#1 - 256 Wallace Street Nanaimo, B.C. V9R 5B3	Fort St. John area, B.C.
Inland Natural Gas Co. Ltd.	P.O. Box 12503 1066 West Hastings Street Vancouver, B.C. V6E 3G3	Okanagan, Central and Northern Interior, B.C.
Northland Utilities (B.C.) Limited	10035-105th Street Edmonton, Alberta T5J 2S3	Dawson Creek, Rolla, Pouce Coupe, and Tumbler Ridge, B.C.
Pacific Northern Gas Ltd.	Suite 1400 1185 West Georgia Street Vancouver, B.C. V6E 4E6	Summit Lake to Prince Rupert and Kitimat, B.C.

Investor-Owned Propane Gas Utilities

ICG Utilities (British Columbia) Ltd.	#1 - 256 Wallace Street Nanaimo, B.C. V9R 5B3	Nanaimo, Whistler, Port Alice, B.C.
Squamish Gas Co. Ltd.	P.O. Box 12503 1066 W. Hastings Street Vancouver, B.C. V6E 3G3	Squamish, Granisle, B.C.
Sunshine Valley Utilities Ltd.	#202-283 East 11th Ave. Vancouver, B.C. V5T 2C4	Area 14 miles southeast of Hope, B.C.

Investor-Owned Steam Heat Utility

Central Heat Distribution Limited	720 Beatty Street Vancouver, B.C. V6B 2M1	Vancouver, B.C.

Municipally-Owned Telephone Utility*

City of Prince Rupert	424 West 3rd Avenue Prince Rupert, B.C. V8J 1L7	Prince Rupert area, B.C.

* Only service outside Municipal Boundaries is subject to regulation by the British Columbia Utilities Commission.

APPENDIX II

APPLICATIONS HEARD AND DECISIONS ISSUED IN 1987

Columbia Natural Gas Limited
(January 21, 1987)

A hearing was held in Cranbrook on October 15, 1986 for five days and concluded in Vancouver on October 31, 1986 to hear an application dated May 30, 1986 for an interim and permanent rate relief to be effective July 1, 1986.

By Order No. G-39-86 dated July 4, 1986, the Commission approved the requested interim increase. The requested increase of 2.4% or $660,000 over existing rates, contemplated a 13.15% return on rate base and a 15% return on common equity based on fiscal 1987 forecast. The Commission Decision, dated March 18, 1986 for Columbia approved a rate of return on common equity of 14.75%.

The following are major features of the Columbia Application of May 30, 1986 on which the interim increase of 2.4% was provided:

- Columbia forecast plant additions of $1.6 million in fiscal 1987 as compared to $2.9 million in the 1986 Rate Application; the latter included $1.5 million for the construction of the Cranbrook Lateral. Mains and services additions are significantly lower than in 1986. Natural Gas for Vehicle stations ("NGV") estimated to cost $924,000 exclusive of overhead are major additions to plant.

- Forecast sales are expected to be 15% lower than those in the 1986 Decision due to reduced forecast sales to industrial customers, particularly Fording Coal and Westar-Sparwood.

Columbia Natural Gas Limited
(continued)

- Cost of gas was forecast to be uncertain due to deregulation of field prices and a potential mix of purchases from A & S, the Deep Basin area of British Columbia, and Inland. An example is that on Exhibit #4, Tab 9, Columbia indicated the effects of deregulation would reduce its forecast cost of gas from $22 million in the Application to $14.8 million. The difference would form part of a pass-through application to reduce all customer rates.

- Operation and Maintenance ("O and M") costs were forecast to increase 8.57% over 1986 projection, which in turn was 4.2% over the 1985 normalized costs. The bulk of the 8.57% increase was due to costs related to Byron Creek and new NGV operations.

- The income tax rate was forecast at 52.947%, a reduction from the 1986 rate of 53.8%.

- Columbia requested a rate of return on common equity of 15%. The current approved rate is 14.75%. The impact of the 0.25% increase would be approximately $30,000 in additional revenue requirement.

- Columbia stated that it would expect to issue $3-4 million of additional long-term debt in fiscal 1987.

- Columbia would file a report on management fees charged by Inland, as directed in the 1986 Decision.

- The Company would also submit a response on alternate insurance.

Columbia Natural Gas Limited
(continued)

The Commission, after considering all the evidence adduced at the hearing, determined as follows, as per Commission Order No. G-5-87:

1. The mid-year Rate Base for the Test Year ending June 30, 1987 shall be approximately $14,100,000.

2. The Revenue Requirements for the Test Year ending June 30, 1987 are approximately $28,000,000 which will provide the Applicant the opportunity to earn a return on common equity of approximately 14.0% within the range of 13.50% to 14.25%.

3. The interim rates approved July 1, 1986 for Schedules I, II, III and IV are determined to be just and reasonable and confirmed.

4. The interim rates applicable to the Special Contract customers shall be reduced as set forth in the Schedules attached to the Decision and the appropriate refund shall be made inclusive of interest. The refund on an annual basis is approximately $40,000.

5. Columbia will comply with the directions incorporated in the Commission's Decision.

West Kootenay Power and Light Company, Limited
(April 3, 1987)

A hearing was held in Rossland, B.C. December 2 through 11, 1986 to hear, inter alia, an application dated November 29, 1985, as supplemented October 23, 1986 for increases to its Tariff Rate Schedules. Pursuant to Commission Order No. G-93-85, a 6% interim

West Kootenay Power and Light Company, Limited
(continued)

refundable increase in Electric Rates was granted effective January 1, 1986.

By supplementary Application dated October 23, 1986 WKPL provided material in support of its revenue requirements for 1987 but sought no additional relief in excess of the 6% interim increase to recover the approximately $680,000 forecast revenue deficiency. This deficiency was subsequently reduced during the hearing to approximately $400,000. During cross-examination WKPL testified that it would seek no increase in 1987. It was apparent, however, that if circumstances changed and the revenue deficiency increased significantly, the Applicant would probably seek to recover the existing deficiency plus the additional costs. In the alternative, if the Commission finds the 6% interim excessive for 1986, it is the Commission's understanding of the Application that the Applicant seeks to have the full 6% applicable in 1987 if justified.

The Application sought a rate increase that in the Company's eyes was justified. All the Intervenors objected in principle to the increase while some Intervenors took objection to specific items within the Application.

After due consideration of the Applications and the evidence adduced thereon the Commission confirmed an average rate increase of 4.82% effective January 1, 1986 over firm rates in effect in 1985 and will approve a further amendment January 1, 1987 bringing the average rate increase to 4.90% over firm rates in effect in 1985.

The Commission concluded that this Decision provided WKPL with an opportunity in fiscal 1987 to earn a rate of return on common equity of 13.20% within a range of 12.75% to 13.50%.

West Kootenay Power and Light Company, Limited
(continued)

The interim rate increase of 6% in effect since January 1, 1986 requires partial refunding with interest in accordance with the terms of Commission Order No. G-93-85.

The Commission accepted revised rate schedules in accordance with this Decision supported by a reconciliation of rates, volumes and revenues showing also a calculation of amounts refundable.

Inland Natural Gas Co. Ltd.
(June 17, 1987)

Inland Natural Gas Co. Ltd. ("Inland") was the first utility in British Columbia to file Transportation Rate Schedules with the Commission following the proclamation in British Columbia of The Natural Gas Price Act effective July 1, 1985. This Act provided sweeping changes to the marketing system for natural gas within British Columbia, and along with revisions to the Petroleum and Natural Gas Act, established a new royalty system and authorized producers to sell their natural gas to customers other than the British Columbia Petroleum Corporation ("BCPC").

As part of an agreement struck in late October 1985 between the Governments of Canada, Alberta, British Columbia and Saskatchewan on Natural Gas Markets and Prices, the Government of Canada established a Pipeline Review Panel to undertake an all-encompassing review of the role and operations of interprovincial and international pipelines engaged in buying, selling and transmission of gas.

Inland Natural Gas Co. Ltd.
(continued)

The Commission accepted for filing, on an interim basis, effective October 11, 1985, Inland's Rate Schedules 15 and 16. In accepting the filings on an interim basis the Commission recognized in Order No. G-82-85 that changes to the tariffs would be required.

In December 1985, the Commission issued an Order requiring Inland to amend its Transportation Tariffs to remove any reference to net income indemnification. In 1986, complaints by Industrial customers and producers persisted with respect to the Terms and Conditions in the Inland Tariffs.

In October 1986, the Commission heard several complaints regarding the Inland Transportation Schedules pertaining to the availability and appropriateness of those Schedules for particular negotiated agreements to be effective November 1, 1986. As a result of these hearings, several Industrial customers accepted the Inland Transportation Schedules on an interim basis so that transportation service could commence.

A hearing commenced on March 3, 1987, for one week, in Prince George, B.C., and then moved to Kelowna commencing March 10, 1987. At the end of this session the hearing adjourned and reconvened in Vancouver May 19, 1987 continuing without interruption until conclusion of the argument of the transportation phase of the hearing on June 3, 1987.

The advent of new gas marketing arrangements has imposed profound changes on all parties. Inland has seen a dramatic change in the price it must pay for natural gas purchased from the BCPC. Still, Inland is

Inland Natural Gas Co. Ltd.
(continued)

concerned that gas producers selling directly to Industrial customers may undercut the fixed utility price of natural gas because of Inland's contracted commitments to Westcoast Transmission Company Limited ("Westcoast") and BCPC. A substantial change in Westcoast's rate structure requires Inland to provide for full demand/commodity pricing.

The Commission's intention in issuing a Decision on Transportation Tariffs at this time is to assist all parties by clarifying the Commission's views on certain matters regarding the Terms and Conditions embodied within the Transportation Schedules proposed by Inland.

The Commission provided directions on the following matters, ordering Inland to comply with such directions on or before the dates prescribed for compliance:

1. Pricing Methodology between Schedules.
2. Indemnities
3. Curtailment Provisions
4. Confidentiality of Prices
5. Force Majeure
6. Daily versus Monthly Gas Balancing
7. Producers as Shippers
8. Shippers holding Contracts with Westcoast
9. Transportation Services for Inland's Schedule 3 customers
10. First Call Priority
11. Nomination Lead Times
12. Affiliate Transactions
13. Prior Termination of Contracts
14. Producer's Delcaration

UtiliCorp United Inc. and UtiliCorp British Columbia Ltd. and West Kootenay Power and Light Company, Limited (June 30, 1987)

This Decision is issued in response to two Applications, the first being the September 12, 1986 Application of UtiliCorp United Inc. of Kansas City, Missouri, U.S.A. ("UtiliCorp United") and UtiliCorp British Columbia Ltd. ("UtiliCorp B.C."), pursuant to Section 61 of the Act, requesting an Order approving the acquisition by UtiliCorp B.C. of all of the issued and outstanding Common and Preferred Shares of West Kootenay Power and Light Company, Limited ("WKPL"). UtiliCorp B.C. is a wholly-owned subsidiary of UtiliCorp United. The second Application is that of WKPL dated September 16, 1986 seeking the approval of the Commission to register on the books of WKPL the transfer of Common and Preferred shares from Cominco and the Preferred shares from Canadian Pacific Enterprises Limited to UtiliCorp United or UtiliCorp B.C.

The Commission ordered a public hearing into these Applications commencing on November 3, 1986 at Trail, B.C. and continuing at Penticton, B.C. on November 12, 1986; the hearing subsequently resumed at Penticton, B.C. on November 24, 1986, adjourning on November 25, 1986 and resumed on January 19, 1987 at Kelowna, B.C. adjourning on February 6, 1987.

The Commission, having carefully reviewed all the evidence and arguments on behalf of the Applicants and other interested parties, ordered as follows:

I. The Applications by UtiliCorp United and UtiliCorp B.C. are approved subject to the following conditions, any of which not stipulating a specified time limit, shall remain in force so long as UtiliCorp United and UtiliCorp B.C. own WKPL.

UtiliCorp United Inc. and UtiliCorp British Columbia Ltd. and West Kootenay Power and Light Company, Limited (continued)

1. UtiliCorp United, UtiliCorp B.C. and WKPL will not take any step or adopt any measure which has the direct or indirect purpose or effect of recovering from the customers of WKPL any premium paid over book value by UtiliCorp United or UtiliCorp B.C. for the shares of WKPL.

2. UtiliCorp United and UtiliCorp B.C. will not cause and WKPL will not divert power or energy required in any way whatsoever by WKPL's actual or potential customers to any other use and, in particular, may not use or cause to be used such power or energy for an export or non-utility purpose.

3. UtiliCorp United and UtiliCorp B.C. will not themselves and will not cause WKPL to alter the basis or procedures for determining the appropriate water levels in the Kootenay Lake systems or in the river systems which are dammed as part of WKPL's water storage assets.

4. UtiliCorp United and UtiliCorp B.C. will provide WKPL with whatever form of financial support is necessary to allow WKPL to obtain the full benefit of UtiliCorp B.C. and UtiliCorp United's financing ability, including without limitations, guaranteeing the indebtedness of WKPL and providing the full faith and credit of UtiliCorp United and UtiliCorp B.C.

5. UtiliCorp United and UtiliCorp B.C. will not cause WKPL and WKPL will not lend direct financial support to either UtiliCorp United or UtiliCorp B.C. and in particular will not guarantee any indebtedness of theirs or their affiliates.

6. WKPL will reduce its dividend payouts to 44% of its earning over the next five years.

7. UtiliCorp United and UtiliCorp B.C. will cause WKPL to elect and maintain a board of directors comprising five independent directors resident within the WKPL service area, two nominees of WKPL management resident in the area, and two nominees of UtiliCorp United.

UtiliCorp United Inc. and UtiliCorp British Columbia Ltd. and West Kootenay Power and Light Company, Limited (continued)

8. UtiliCorp United and UtiliCorp B.C. will cause WKPL to maintain an efficient capital structure satisfactory to the Commission and UtiliCorp United or UtiliCorp B.C. will contribute equity within three months of any request by the Commission to achieve or maintain the required capital structure. If UtiliCorp United or UtiliCorp B.C. are unable or unwilling to contribute the required equity themselves, they will, without delay, cause WKPL, and WKPL will use its best efforts, to make an offering of and to issue, equity securities to Canadian investors.

9. WKPL will retain its head office and management function in Trail for at least ten years from the date of this Decision and will maintain the head office and management function in the WKPL service area for so long as UtiliCorp United and/or UtiliCorp B.C. own a controlling interest in WKPL.

10. UtiliCorp United will not sell all or part of its shares in UtiliCorp B.C. and UtiliCorp B.C. will not issue securities in such a way as to directly or indirectly convey a reviewable interest as defined in Section 61 of the Act in UtiliCorp B.C. to any other person without the prior approval of this Commission.

11. UtiliCorp B.C. will retain in Canada all dividends paid by WKPL to it in the five years from the date of this Decision.

II. The Application by West Kootenay Power and Light Company, Limited is approved.

Inland Natural Gas Co. Ltd.
(August 6, 1987)

Commission Order No. G-47-86 set down an Application by Inland Natural Gas Co. Ltd. ("Inland") dated May 30, 1986, for interim and permanent rate relief to be effective July 1, 1986, for public hearing to commence in Kelowna, September 22, 1986. The hearing continued for 19 days, including three days of argument, and concluded on November 26, 1986.

Commission Order No. G-38-86 had granted to Inland an interim refundable rate increase of 2.32% effective July 1, 1986.

The President and Chief Executive Officer of Inland stated that significant decreases in the volumes of gas sold, magnified by an increase in the cost of service were the principal reasons Inland sought a rate increase. His evidence was that cost increases were attributed to increases in insurance premiums, the need for greater marketing effort to retain existing sales, inflation, additions to rate base, and the proposed adoption of more equity in the utility capital structure.

Counsel for the Applicant, in an extensive argument addressed the principal issues of the hearings, which included the capital structure, the appropriate equity component, business risks of Inland, rate of return on equity, sales volumes, the strike adjustment provision, sales of gas to Columbia, the revenue deferral on account of high heat content gas, supply nominations, operating and maintenance expenses, the deferred interest account, intercorporate charges, capitalization of overheads, rate base items, and the marketing department including natural gas for vehicles and merchandising programs.

Inland Natural Gas Co. Ltd.
(continued)

Counsel for some of the major industrial customers summarized his argument as follows:

> "The issues, simply put are the following: first, is Inland going to be permitted to increase its margin, its cost of operations at a rate well in excess of inflation during a time when most other sectors of the economy have learned and continue to apply cost restraint?
>
> Second, is Inland going to be permitted not only to continue to invest in plant which does not recover its costs, as in the case of its mains extension program, and is it going to be permitted to expand into new and equally unlucrative areas such as merchandising and natural gas for vehicles at the expense of the general ratepayers?
>
> Third, is Inland going to be permitted a return on equity well in excess of that awarded by any board in the last year and, more importantly, is Inland going to be allowed to earn a return on equity that is not presented in the capital structure?
>
> In my submission these questions are simple questions, but they will require tough answers and a great deal of serious thought and consideration before they are resolved. Inland has indicated that the increase it seeks is only 2.3% on current rates, a statistic that on its face is true, but a statistic that does not tell the whole story by any means.
>
> The facts, when examined more deeply, show a much more complex and I believe disturbing situation. A comparison of your January, 1985 decision and the current application shows that in the test year Inland forecast decreasing sales and increasing costs. Inland is projecting sales decreases of 1.5% since 1985, yet by way of contrast Inland's own margin is up 12.6% overall, and on a per gigajoule basis Inland's margin is up 14.3%, an increase almost triple the rate of inflation we've experienced over the last two years -- or triple the annual rate of inflation, and 50% over the combined rate of inflation.

Inland Natural Gas Co. Ltd.
(continued)

> What has Inland's reaction been to its declining sales, to its increased costs, and to the drop in competitive energy prices generally? My submission is that it has been to urge others to reduce their returns, but at the same time to ask for more for itself."

Counsel for the Consumers' Association of Canada and Old Age and Anti-Poverty groups argued:

> ". . . there are several submissions we will make respecting the increase Inland has applied for in this rate application. First, despite certain laudible efforts Inland has not held its costs down as much as it could have when compared to non-regulated private sector corporations that have implemented restraint mechanisms.
>
> Second, there are components of Inland's management operation that lack articulated and effective plans and strategies as well as ongoing monitoring mechanism in order to maximize cost efficiency.
>
> In the result the increase is made necessary because of shortcomings which Inland must be admonished to correct.
>
> Third, there are certain components of Inland's marketing scheme which should not be a part of a regulated utility's program.
>
> Fourth, there are items contained in Inland's budget, the cost of which are too high and the figures in respect thereof must accordingly be decreased.
>
> Fifth, Inland as a regulated utility is subsidizing both regulated and non-regulated companies through a deficient method of calculating intercorporate charges and a consequential failure to recover the full value and range of tangible and intangible benefits it provides.
>
> Sixth, there are certain costs Inland has included in its rate base which relate to expenditures in respect of items which benefit shareholders as well as ratepayers. An item may benefit ratepayers one way, but benefit shareholders in another way. When that item's

Inland Natural Gas Co. Ltd.
(continued)

cost is included in the rate base or treated as an expense the effect is that the shareholders get a free ride. The Commission can correct this by allocating to the shareholders a portion of the cost of certain items.

Seventh, not enough has been done by Inland regarding the move to its service area, and a Commission directive in this regard is required."

The Commission, after considering all the evidence adduced at the hearing, determined as follows, as per Commission Order No. G-52-87:

1. The Rate Base and Revenue Requirement for the Fiscal Year ended June 30, 1987 are as set out in Schedule 1 contained in the Decision.

2. Inland is to proceed with refunds to its customers of record in the period July 1, 1986 through August 31, 1987 as specified in the Decision of the Commission issued concurrently with this Order. Such refunds are to include interest calculated as specified in Order No. G-38-86. A reconciliation schedule is required to be filed with the Commission concurrently.

3. The Commission will accept for filing, subject to timely filing thereof, amended Tariff Rate Schedules confirming as firm effective September 1, 1987 rates which conform to the Commission's August 6, 1987 Decision.

4. Inland will comply with several directions incorporated in the Commission Decision.

Inland Natural Gas Co. Ltd.
(November 25, 1987)

Commission Order No. G-62-87 dated October 27, 1987 ordered a public hearing to be held on November 19, 1987 in Squamish to hear an application by Inland Natural Gas Co. Ltd. ("Inland") dated June 18, 1987

Inland Natural Gas Co. Ltd.
(continued)

requesting approval of its acquisition from Superior Propane Inc. ("Superior") of 100% of the shares of Squamish a public company. The application stated that if the Commission approved the application, Inland proposes that it would "cause Squamish to purchase from Superior all the assets of Granisle Grid System ("Granisle") and to hold and operate such assets as a separate regulatory unit with Squamish".

Inland further submitted that its proposed acquisitions would have no detrimental effect upon:

(i) the utilities' ability to finance future capital requirements;

(ii) the continuation of existing covenants that would preserve the customers' interest;

(iii) the utilities' ability to maintain the required level of service into the future;

(iv) the preservation of public interest; and

(v) compliance with pertinent legislation and regulation.

In conjunction with the Inland Application, Superior, represented by counsel, submitted a separate Application dated June 18, 1987 for the approval to transfer all of its shares in Squamish to Inland. Superior requested that the Applications of both Superior and Inland, with respect to Squamish, be heard together as a single record.

Concurrent with the Squamish Application, Superior also applied to dispose of the whole of its Granisle operation to Squamish at the closing of the transfer of Squamish shares to Inland.

Inland Natural Gas Co. Ltd.
(continued)

The Commission approved the application by Inland of the purchase of 100% of the Voting Shares of Squamish subject to the following conditions:

- that any premium to be paid by Inland for Squamish over the net book value of the equity as of March 31, 1987 will not be recovered in the rates to be paid by Squamish customers at this time. This matter will be reviewed if and when natural gas becomes available in the service area.

- that Squamish will be given free access by Superior to any information substantiating the propane prices to Squamish by Superior, such information to be filed with the Commission on a monthly basis by Squamish.

The Application by Superior for approval to sell the assets of the Granisle to Squamish is approved. The Commission emphasizes, however, that such approval should not be construed by the Applicants as indicating that the Commission has recognized any specific dollar value for the assets of Granisle for regulatory purposes.

APPENDIX III

COMMISSION ORDERS ISSUED IN 1987

ORDER NO.

G-1-87 **PACIFIC NORTHERN GAS LTD.**

ISSUED January 8 **EFFECTIVE January 8**

Accepted for filing effective January 8, 1987 appropriate amendments to the filed Gas Tariff of Pacific Northern Gas Ltd. ("PNG") setting forth the reference to an interim promotional program for Natural Gas Vehicle ("NGV") conversions.

PNG applied December 22, 1986 for approval of a proposed interim amendment to its NGV Conversion Loan Program available to private individuals and corporations for the purpose of converting specific vehicles to dual-fuel natural gas operation in PNG's service area.

The amendment is intended to provide interim stimulation of the NGV conversions market, with PNG undertaking to develop and submit a long-term promotional program to become effective April 1, 1987.

G-2-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED January 15 **EFFECTIVE January 15**

British Columbia Hydro and Power Authority ("B.C. Hydro") applied January 12, 1987 to amend its Gas Tariff Rate Schedules covering rates to be charged for natural gas service rendered by the company in its Lower Mainland service area.

B.C. Hydro's Application reflects an interim increase in the tolls Westcoast Transmission company Limited ("Westcoast") collects from its customers, requiring a change in the demand and commodity tolls of the wholesale price of natural gas Westcoast supplies to B.C. Hydro.

This resulted from Order No. TGI-59-86 of the National Energy Board to Westcoast effective January 1, 1987.

ORDER NO.

G-2-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY** (continued)

The Commission approved effective January 15, 1987 the rates contained in the Gas Tariff Rate Schedules and these will be accepted for filing subject to the submission by B.C. Hydro of amended Tariff Rate Schedules incorporating the following clause:

> "The above-noted rates include an interim adjustment effective January 15, 1987, subject to a final determination of the appropriate rate of Westcoast Transmission Company Limited by the National Energy Board."

G-3-87 **PACIFIC NORTHERN GAS LTD.**

ISSUED January 15 **EFFECTIVE January 1**

Pacific Northern Gas Ltd. ("PNG") applied January 13, 1987 to amend its Gas Tariff Rate Schedules covering rates to be charged for natural gas service rendered by the company in its service area.

PNG's Application reflects an interim increase in the tolls Westcoast Transmission company Limited ("Westcoast") collects from its customers, requiring a change in the demand and commodity tolls of the wholesale price of natural gas Westcoast supplies to PNG. This resulted from Order No. TGI-59-86 of the National Energy Board to Westcoast effective January 1, 1987.

The Commission approved effective January 1, 1987 the rates contained in the Gas Tariff Rate Schedules on an interim basis.

G-4-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED January 15 **EFFECTIVE January 1**

Inland Natural Gas Co. Ltd. ("Inland") applied January 9, 1987 to amend its Gas Tariff Rate Schedules covering the rates to be charged for natural gas service rendered by the company in its service area.

ORDER NO.

G-4-87 **INLAND NATURAL GAS CO. LTD.**
(continued)

This reflects an interim increase in the tolls Westcoast Transmission Company Limited ("Westcoast") collects from its customers, requiring a change in the demand and commodity tolls of the wholesale price of natural gas Westcoast supplies to Inland. This resulted from Order No. TGI-59-86 of the National Energy Board to Westcoast effective January 1, 1987.

The Commission approved effective January 1, 1987 the rates contained in the Gas Tariff Rate Schedules and these will be accepted for filing subject to submission by Inland of amended Tariff Rate Schedules incorporating the following clause:

> "The above-noted rates include an interim adjustment effective January 1, 1987, subject to a final determination of the appropriate rate of Westcoast Transmission Company Limited by the National Energy Board."

G-5-87 **COLUMBIA NATURAL GAS LIMITED**

ISSUED January 21 **EFFECTIVE January 21**

A six day public hearing reviewing, inter alia, an Application by Columbia Natural Gas Limited ("Columbia") dated May 30, 1986 for a 2.40% interim rate increase to its filed Tariff Rate Schedules effective July 1, 1986, as amended during the hearing to a requested increase of 3.00%.

The Commission considered the Application and the evidence adduced thereon, all as set forth in a Decision issued concurrently with this Order and ordered as follows:

1. The mid-year Rate Base for the Test Year ending June 30, 1987 shall be approximately $14,100,000.

2. The Revenue Requirements for the Test Year ending June 30, 1987 are approximately $28,000,000 which will provide the Applicant the opportunity to earn a return on common equity of approximately 14.0% within the range of 13.50% to 14.25%.

ORDER NO.

G-5-87 **COLUMBIA NATURAL GAS LIMITED**
(continued)

3. The interim rates approved July 1, 1986 for Schedules I, II, III and IV are determined to be just and reasonable and confirmed.

4. The interim rates applicable to the Special Contract customers shall be reduced as set forth in the Schedules attached to the Decision and the appropriate refund shall be made inclusive of interest. The refund on an annual basis is approximately $40,000.

5. Columbia will comply with the directions incorporated in the Commission's Decision.

G-6-87 **NORTHLAND UTILITIES (B.C.) LIMITED**

ISSUED January 22 **EFFECTIVE January 1**

Northland Utilities (B.C.) Limited ("Northland") applied January 14, 1987 to amend its Gas Tariff Rate Schedules covering the rates to be charged for natural gas service rendered by the company in its Dawson Creek service area.

The proposed amendments sought to permit Northland to reduce, on an interim basis, its filed Tariff Rate Schedules by 5.3 cents per gigajoule (GJ) to reflect a reduction in the cost of gas purchased from its supplier, Peace River Transmission Company Limited, in accordance with revised interim tolls authorized by the National Energy Board effective January 1, 1987.

The Commission reviewed the Application and supporting material and found that the filing of amendments to the filed Tariff Rate Schedules was necessary in the public interest. It therefore ordered as follows:

1. The Commission rejects Northland's proposal due to the interim status of the cost of gas reduction.

ORDER NO.

G-6-87 **NORTHLAND UTILITIES (B.C.) LIMITED**
(continued)

2. The Commission requires Northland to continue its current Tariff Rate Schedules except that the rates displayed therein are to be classified as interim rates effective January 1, 1987. Northland will promptly submit amended Tariff Rate Schedules for approval and filing.

3. For the period January 1, 1987 through the date on which the National Energy Board determines the "final" cost of gas component, Northland will record for all Dawson Creek customers the actual consumption of natural gas, such record to form the basis on which each such customer will be granted a refund predicated on the actual differential between the $2.173/gigajoule gas supply cost as at December 31, 1986 and the "final" gas supply cost resulting from a determination by the National Energy Board. All such refunds are to include interest calculated on the average prime rate of the bank with which Northland conducts its business.

4. Northland will provide to the Commission a reconciliation of the refund amounts in a listing of customer names and amounts as soon as possible following price determination. The appropriate refunds may be credited to customer accounts. Refunds by cheque will only be made if the amount is $5.00 or more. In instances where a former customer cannot be located, Northland will so advise the Commission not later than 90 days following normal refund date and a deferral account will be established to record the liability, disposition of which will be determined at a later date.

G-7-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED February 4 **EFFECTIVE February 4**

Accepted for filing effective February 4, 1987 the following:

Gas Tariff

Second Revision of Page C-18
Second Revision of Page C-19
Second Revision of Page C-20

ORDER NO.

G-7-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY** (continued)

These amendments are designed to clarify the "availability" section of Gas Tariff Rate Schedules applicable to industrial operations.

G-8-87 **CANADIAN FOREST PRODUCTS LTD.**

ISSUED February 11 **EFFECTIVE February 11**

Canadian Forest Products Ltd. ("Canfor") applied on November 19, 1986 for a Commission Order requiring British Columbia Hydro and Power Authority ("B.C. Hydro") to extend electric service to the community of Woss and to Nimpkish on Vancouver Island.

The Commission considered the Application, together with correspondence related thereto and ordered as follows:

1. A public hearing of the Canfor Application will commence at 2:00 p.m. on Tuesday, April 7, 1987 at the Woss Community Hall.

2. Canfor is directed to arrange for suitable public notices to be provided in order that all interested parties, especially residents of the community of Woss, may be fully aware of the public hearing and its significance in respect of matters related to the provision of electric service by B.C. Hydro.

3. All evidence and submissions by Canfor, B.C. Hydro and the Regional District concerning this matter should be provided to the Commission not later than Monday, March 16, 1987, with copies to be served by each upon the other named parties.

G-9-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED February 26 **EFFECTIVE February 26**

Accepted for filing an amended Employee Share Option Plan. This amendment was approved by the shareholders on October 23, 1986. The original plan was accepted for filing by Commission Order No. G-55-84 dated September 7, 1984.

ORDER NO.

G-10-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED February 25 **EFFECTIVE February 25**

Accepted for filing effective February 25, 1987 an amendment to Tariff Rate Schedule 1844 in its Electric Tariff covering the rates to be charged for electric service rendered by the Authority in its service area. Filed was the Second Revision of Page C-62. This provided for a 12-month extension from the March 31, 1987 termination date contained in Tariff Rate Schedule 1844.

G-11-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED March 18 **EFFECTIVE March 1**

Accepted for filing effective March 1, 1987 the following amendments to Electric Tariff Rate Schedule 1401 as submitted February 19, 1987:

Tenth Revision of Page C-38
Fourth Revision of Page C-39

The Application requested approval to amend the provisions of Tariff Rate Schedule 1401 in the Electric Tariff concerning "Availability"; "Meter Reading"; "Billing of Minimum Charges".

G-12-87 **NORTHLAND UTILITIES (B.C.) LIMITED**

ISSUED March 18 **EFFECTIVE March 18**

Approved the Application dated March 13, 1987 from Northland Utilities (B.C.) Limited ("Northland") for the disposition of certain of its property. This property to be disposed of by sale to Westcoast Transmission Company, Limited comprises a gas processing plant, transmission pipeline and associated equipment utilized by Northland in the provision of natural gas to the Tumbler Ridge area.

ORDER NO.

G-13-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED March 18 **EFFECTIVE March 18**

Variance to Clause 2 of Commission Order No. G-76-86 by extending from March 31, 1987 to June 30, 1987 the date by which a formal application in support of a 14 cents/gigajoule increase in natural gas rates effective November 1, 1986, which increase is subject to refund with interest, is to be submitted.

G-14-87 **WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED**

ISSUED April 3 **EFFECTIVE April 3**

Pursuant to a public hearing held in Rossland in December 1986 to hear, inter alia, an Application for increases to its filed Tariff Rate Schedules and pursuant to Order No. G-93-85 in which WKPL was granted an interim refundable rate increase of 6% effective January 1, 1986, the Commission ordered as follows:

1. The Rate Base and Revenue Requirement for the Test Years ended December 31, 1986 and 1987 are as set out in Schedules contained in the Decision.

2. West Kootenay Power is to proceed with refunds to its customers of record in the period January 1, 1986 through April 30, 1987 as specified in the Decision of the Commission issued concurrently with this Order. Such refunds are to include interest calculated as specified in Order No. G-93-85. A reconciliation schedule is required to be filed concurrently.

3. The Commission will accept for filing, subject to timely filing thereof, amended Tariff Rate Schedules confirming as firm effective May 1, 1987, rates which conform to the terms of the Commission's April 3, 1987 Decision.

4. West Kootenay Power will comply with the several directions incorporated in the Commission Decision.

ORDER NO.

G-15-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED April 21 **EFFECTIVE May 15**

Approved effective May 15, 1987 a B.C. Hydro Electric Rate Zone I-B for the Fort Nelson District.

Accepted for filing effective May 15, 1987 the following amended Electric Tariff pages:

First Revision of Index Page i
Second Revision of Index Page ii
Fourth Revision of Index Page iii
Sixth Revision of Index Page iv
Fifth Revision of Index Page v
Fifth Revision of Page A-7
First Revision of Page B-35
Original Page C-2-2
Original Page C-2-3
Original Page C-6-2
Original Page C-6-3
Original Page C-21-2
Original Page C-22-1
Original Page C-22-2
Original Page C-22-3

B.C. Hydro is to pursue with diligence the securing of a long-term contract for natural gas supply related to the natural gas-fired generation of electricity for the Fort Nelson District.

G-16-87 **PACIFIC NORTHERN GAS LTD.**

ISSUED April 10 **EFFECTIVE April 1**

Accepted for filing effective April 1, 1987 the following Gas Tariff Rate Schedules approved on an interim basis:

Third Revision of Original Sheet 43
Seventh Revision of Original Sheet 45
Seventh Revision of Original Sheet 47
Seventh Revision of Original Sheet 49
Third Revision of Original Sheet 52
Third Revision of Original Sheet 55

ORDER NO.

G-16-87 **PACIFIC NORTHERN GAS LTD.**
(continued)

Tariff Supplement No. 1
- Third Revision of Original Sheet 1-5

Tariff Supplement No. 2
- Thirty-seventh Revision of Original Sheet 2-5

Tariff Supplement No. 3
- Original Sheet 3-12 (a)

Tariff Supplement No. 6
- Thirty-seventh Revision of Original Sheet 6-6

Tariff Supplement No. 7
- Original Sheet 7-15 (a)

Tariff Supplement No. 8
- Thirty-seventh Revision of Original Sheet 8-2

Tariff Supplement No. 10
- Thirty-seventh Revision of Original Sheet 10-10

Tariff Supplement No. 12
- Twenty-third Revision of Original Sheet 12-3

Tariff Supplement No. 14
- Seventeenth Revision of Original Sheet 14-13

These Tariff amendments result from Order TG-2-87 of the National Energy Board wherein Westcoast Transmission Company, Limited ("Westcoast") is directed to recalculate its interim Tolls, effective April 1, 1987, in recognition of revenues forecast from Export Interruptible Sales Tolls ("EIST"), the final determination of which is anticipated to occur later in 1987.

The Application reflected the net effect of the changes to the Westcoast tolls applicable to Canadian Sales and Service effective April 1, 1987 being a $697,748 decrease, on an annual basis compared to the rates in effect as at November 1, 1986, in PNG's annualized 1987 cost of service.

ORDER NO.

G-17-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED April 10 **EFFECTIVE April 1**

Accepted for filing effective April 1, 1987 the following Gas Tariff Rate Schedules approved on an interim basis:

Third Revision of Sheet No. 58-1
Thirtieth Revision of Sheet No. 61
Twenty-ninth Revision of Sheet No. 67
Second Revision of Sheet No. 68

Tariff Supplement No. 11
- Third Revision of Sheet No 11-5

Tariff Supplement No. 15
- Sixth Revision of Sheet No. 15-9

Tariff Supplement No. 19
- Eighth Revision of Sheet No. 19-6

Tariff Supplement No. 20
- Eighth Revision of Sheet No. 20-7

Tariff Supplement No. 23
- Fifth Revision of Sheet No. 23-5

Fifth Revision of Sheet No. 76
Thirtieth Revision of Sheet No. 82
Thirty-first Revision of Sheet No. 90
Fifteenth Revision of Sheet No. 90.3
Third Revision of Sheet No. 90.4
Twenty-ninth Revision of Sheet No. 106
Thirtieth Revision of Sheet No. 120
Fourth Revision of Sheet No. 132
Fourth Revision of Sheet No. 179

The Tariff amendments result from Order TG-2-87 of the National Energy Board wherein Westcoast Transmission Company, Limited ("Westcoast") is directed to recalculate its interim tolls, effective April 1, 1987, in recognition of revenues forecast from Export Interruptible Sales Tolls ("EIST"), the final determination of which is anticipated to occur later in 1987.

ORDER NO.

G-17-87 **INLAND NATURAL GAS CO. LTD.**
(continued)

The Application reflected the net effect of the changes to the Westcoast tolls applicable to Canadian Sales and Service effective April 1, 1987 being a $3.38 million decrease, on an annual basis compared to the rates as in effect as at January 1, 1987, in Inland's cost of service for the year ended June 30, 1987.

G-18-87 **HEMLOCK VALLEY ELECTRICAL SERVICES LTD. and HEMLOCK VALLEY RESORTS LTD.**

ISSUED April 22 **EFFECTIVE April 22**

Hemlock Valley Electrical Services Ltd. ("Hemlock Electrical") applied to the Commission for approval to register on its books the transfer of all shares of Hemlock Electrical from Hemlock Valley Recreations Limited to Hemlock Valley Resorts Inc. ("Hemlock Resorts").

Hemlock Resorts applied for approval of the acquisition by Hemlock Valley Resorts Ltd. of 29,710 shares of Hemlock Electrical.

The Commission concluded that general and public interest require that the Application be heard in an informal public forum and that the Applications be set for hearing on June 9, 1987 at the Commission Hearing Room located on the Fourth Floor, 800 Smithe Street, Vancouver, B.C.

G-19-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED April 24 **EFFECTIVE April 24**

Accepted for filing effective April 24, 1987 the following amendment to Gas Tariff Rate Schedule 2501 as submitted March 26, 1987:

Sixth Revision of Page C-5

ORDER NO.

G-19-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**
(continued)

This amends the Special Condition of Gas Tariff Rate Schedule 2501 by authorizing B.C. Hydro to conditionally waive the requirement that an alternative fuel burning installation be provided by a customer seeking Interruptible gas service.

G-20-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED April 24 **EFFECTIVE April 24**

British Columbia Hydro and Power Authority ("B.C. Hydro") applied April 7, 1987 for approval in principle by the Commission permitting B.C. Hydro to establish a "Gas Rate Stability Deferral Account" the purpose of which is to minimize random increases and decreases in Gas Tariff Rate Schedule. The Commission considered the Application and ordered as follows:

1. The April 7, 1987 Application is denied at this time but will be considered at the public hearing of B.C. Hydro's Revenue Requirements Application.

2. B.C. Hydro is to amend its Gas Tariff Rate Schedules effective May 1, 1987 to reflect an appropriate reduction in gas customer rates resulting from the reduction effective April 1, 1987 of Demand Charges from Westcoast Transmission Company, Limited.

3. B.C. Hydro is to immediately establish a Deferral Account for the purpose of recording, for a period April 1 through 30, 1987, the effect of the reduction in Demand Charges referred to in clause 2 above.

4. In view of the anticipated July 1, 1987 filing by B.C. Hydro of its Revenue Requirements Application, the Commission is satisfied that the required adjustments to B.C. Hydro's gas customer accounts together with disposition of the Deferral Account may be appropriate determined during the public hearing of the Application.

ORDER NO.

G-21-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED April 24 **EFFECTIVE April 24**

Accepted for filing effective April 24, 1987 Gas Tariff Supplements Agreements pertaining to the provision of natural gas compression and dispensing equipment owned by Inland at service stations operated by Imperial Oil Limited located at Penticton, B.C. and 298280 B.C. Ltd. located at Kamloops, B.C.

The above agreements are designated as follows:

Tariff Supplement No. 29 - Imperial Oil Limited
- Original Sheets 29-1 through 29-7

Tariff Supplement No. 30 - 298280 B.C. Ltd.
- Original Sheets 30-1 through 30-7

G-22-87 **COLUMBIA NATURAL GAS LIMITED**

ISSUED April 24 **EFFECTIVE April 24**

Accepted for filing effective April 24, 1987 a Gas Tariff Supplement Agreement pertaining to the provision of natural gas compression and dispensing equipment owned by Columbia at a service station operated by Mohawk Oil Co. Ltd. located at Cranbrook, B.C.

The above Agreement is designated as follows:

Tariff Supplement No. 7
- Original Sheets 7-1 through 7-8

G-23-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED May 6 **EFFECTIVE May 6**

Ordered as follows:

1. Resumption of public hearing concerning Transportation Tariffs.

This session will commence at the Commission Hearing Room, Vancouver, B.C. on Tuesday, May 19, 1987.

ORDER NO.

G-23-87 **INLAND NATURAL GAS CO. LTD.**
(continued)

2. Resumption of public hearing concerning Rate Design.

This session will commence Monday, June 22, 1987 at The Park Lake Motor Inn, Kelowna, B.C.

This follows the adjournment of the hearing of Applications by Inland Natural Gas Co. Ltd.

G-24-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED May 15 **EFFECTIVE May 15**

British Columbia Hydro and Power Authority ("B.C. Hydro") applied May 14, 1987 to introduce new Electric Tariff Schedules to be available to provide interruptible energy to domestic customers.

By the introduction of these schedules B.C. Hydro seeks to develop a more secure market for its surplus energy for the benefit of all its customers. B.C. Hydro anticipates it will have firm surplus electricity available until about 1990/91.

B.C. Hydro proposed that the rate in Electric Tariff Rate Schedules 1105 and 1205 (Duel Fuel Interruptible Service, Residential and General, respectively) will remain unchanged until April 1, 1991.

It was also proposed that the rates in Electric Tariff Rate Schedule 1805 (Interruptible Service - Electric Steam Boilers) will remain unchanged only until the customer has recovered its capital investment for the electric boiler installation, after which time the rate would be tied to the price of residual oil until April 1, 1991.

Having reviewed the Application the Commission ordered as follows:

ORDER NO.

G-24-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**
(continued)

1. The introduction of the following Electric Tariff Rate Schedules is approved effective May 15, 1987:

   Schedule 1105
   - Residential Dual Fuel Interruptible Service

   Schedule 1205
   - General Dual Fuel Interruptible Service

   Schedule 1805
   - Interruptible Service - Electric Steam Boilers

2. The following Electric Tariff pages are accepted for filing effective May 15, 1987:

   Fifth Revision of Index Page iii
   Seventh Revision of Index Page iv
   Sixth Revision of Index Page v
   Original Page C-2-5
   Original Page C-2-6
   Original Page C-2-7
   Original Page C-2-8
   Original Page C-2-9
   Original Page C-17-5
   Original Page C-17-6
   Original Page C-17-7
   Original Page C-17-8
   Original Page C-17-9
   Original Page C-68
   Original Page C-69
   Original page C-70

G-25-87 **C A N C E L L E D**

G-26-87 **CANADIAN FOREST PRODUCTS LTD.**

ISSUED May 20 **EFFECTIVE May 20**

Canadian Forest Products Ltd. ("Canfor") applied to the Commission for an Order directing B.C. Hydro to extend electric service to the community of Woss and to Nimpkish on Vancouver Island.

ORDER NO.

G-26-87 **CANADIAN FOREST PRODUCTS LTD.**
(continued)

A public hearing was held on April 7 and 8, 1987 in the community hall at Woss, B.C.

Woss has a population of approximately 600 with several retail operations and a school as well as Canfor's industrial facilities. B.C. Hydro's 138 kV transmission line to the northern tip of Vancouver Island, which was constructed in 1969, passes approximately 500 metres from the community of Woss and operates at a voltage level that is economic to transform to distribution voltage level.

Canfor's tree licence expires in 2006 with a further extension possible in 1996 and it is the company's intention to continue to utilize its local Tree Farm Licence.

Having considered all the evidence adduced at the hearing the Commission ordered as follows:

1. The Application for provision of electric service to the community of Woss is approved at no cost other than the standard connection charges as set forth in B.C. Hydro's Electric Tariff.

2. The Application for provision of electric service by B.C. Hydro to Nimpkish is to be treated as an extension from Woss in accordance with the existing Terms and Conditions of B.C. Hydro's Electric Tariff. If service on this extension is acceptable on this basis then the savings on actual costs over estimated costs will be to reduce the required customer contribution.

3. B.C. Hydro is required to file monthly progress reports until the commencement of service to the community of Woss and any extensions therefrom. These reports will include an update of the construction schedule, expenditures to date and amended project budget, customers committed to serve and any changes to line locations or design specifications.

ORDER NO.

G-26-87 **CANADIAN FOREST PRODUCTS LTD.**
(continued)

4. A final report is to be submitted to the Commission by B.C. Hydro not later than November 1, 1987 showing the facilities which have been installed, the costs thereof and the customers being served.

G-27-87 **WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED**

ISSUED May 22 **EFFECTIVE May 22**

West Kootenay Power and Light Company, Limited ("WKPL") applied to amend its current arrangements pertaining to bank borrowings by extending the expiry dates of the Bank Term Line of Credit from January 2, 1989 to January 2, 1990.

The Commission approved the requested revision of Term Loan arrangements noted in clause 1 of Commission Order No. G-26-86 as follows:

Revolving Term Loan Line of Credit

- with Barclay's Bank of Canada, $15 million;
- with Bank of Montreal, $10 million, with the committed portion of the term loan facility with the Bank of Montreal to be increased from $5 million to $10 million (each subject to expiry January 2, 1990).

G-28-87 **THE CORPORATION OF THE CITY OF NELSON**

ISSUED May 22 **EFFECTIVE June 1**

Accepted for filing effective June 1, 1987, Utility Regulatory Amendment By-Law No. 2229, 1987 incorporating a general rate decrease of 0.31%.

The City of Nelson is directed to proceed with the allocation of $7,575 towards capital expenditures in the rural area served by the city of Nelson Electrical Utility.

The City of Nelson had requested that they not be required to refund any rate reductions to customers served outside the City Limits.

ORDER NO.

G-29-87 **COLUMBIA NATURAL GAS LIMITED**

ISSUED May 22 **EFFECTIVE May 22**

Approved and accepted for filing effective May 22, 1987 an amendment to its Gas Tariff Schedule V, the Second Revision of Gas Tariff Sheet No. 49.

This will incorporate a provision for promotional incentive grants of up to $1,700 per vehicle towards the cost of conversion to enable natural gas use.

G-30-87 **FORT NELSON GAS LTD.**

ISSUED May 22 **EFFECTIVE May 22**

Approved and accepted for filing effective May 22, 1987 an amendment to its Gas Tariff Rate Schedule 2 (General Service) by incorporating therein Schedule 2A, applicable to firm gas supplied for the purpose of being further compressed and dispensed as a fuel to operate vehicles. This is the Nineteenth Revision of Gas Tariff Sheet No. 3.

G-31-87 **UTILICORP UNITED INC. and**
UTILICORP BRITISH COLUMBIA LTD. and
WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED

ISSUED June 30 **EFFECTIVE June 30**

Pursuant to a public hearing held in Trail and Penticton during November 1986 and continuing in Kelowna January 1987, to hear an Application dated September 12, 1986 by UtiliCorp United Inc. ("UtiliCorp United") and UtiliCorp British Columbia Ltd. ("UtiliCorp B.C.") for the acquisition by UtiliCorp B.C. of a reviewable interest, being all of the issued and outstanding Common Shares and Preferred Shares of West Kootenay Power and Light Company, Limited ("WKPL") and an Application dated September 16, 1986 by WKPL for approval to register on the books of WKPL the transfer of Common and Preferred Shares from Canadian Pacific Enterprises Ltd. to UtiliCorp or UtiliCorp B.C., the Commission ordered as follows:

ORDER NO.

G-31-87 **UTILICORP UNITED INC. and**
UTILICORP BRITISH COLUMBIA LTD. and
WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED
(continued)

I. The Applications by UtiliCorp United Inc. and UtiliCorp British Columbia Ltd. are approved subject to the following conditions, any of which not stipulating a specified time limit, shall remain in force so long as UtiliCorp United Inc. and UtiliCorp British Columbia Ltd. own WKPL:

1. UtiliCorp United, UtiliCorp B.C. and WKPL will not take any step or adopt any measure which has the direct or indirect purpose or effect of recovering from the customers of WKPL any premium paid over book value by UtiliCorp United to UtiliCorp B.C. for the shares of WKPL.

2. UtiliCorp United and UtiliCorp B.C. will not cause and WKPL will not divert power or energy required in any way whatsoever by WKPL's actual or potential customers to any other use and, in particular, may not use or cause to be used such power or energy for an export or non-utility purpose.

3. UtiliCorp United Inc. and UtiliCorp B.C. Ltd. will not themselves and will not cause WKPL to alter the basis or procedures for determining the appropriate water levels in the Kootenay Lake systems or in the river systems which are dammed as part of WKPL's water storage assets.

4. UtiliCorp United and UtiliCorp B.C. will provide WKPL with whatever form of financial support is necessary to allow WKPL to obtain the full benefit of UtiliCorp B.C. and UtiliCorp United's financing ability, including without limitation, guaranteeing the indebtedness of WKPL and providing the full faith and credit of UtiliCorp United and UtiliCorp B.C.

5. UtiliCorp United and UtiliCorp B.C. will not cause WKPL and WKPL will not lend direct financial support to either UtiliCorp United or UtiliCorp B.C. and in particular will not guarantee any indebtedness of theirs or their affiliates.

ORDER NO.

G-31-87 **UTILICORP UNITED INC. and**
UTILICORP BRITISH COLUMBIA LTD. and
WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED
(continued)

6. WKPL will reduce its dividend payouts to 44% of its earnings for the next five years.

7. UtiliCorp United and UtiliCorp B.C. will cause WKPL to elect and maintain a board of directors comprising five independent directors resident within the WKPL service area, two nominees of WKPL management resident in the service area and two nominees of UtiliCorp United.

8. UtiliCorp United and UtiliCorp B.C. will cause WKPL to maintain an efficient capital structure satisfactory to the Commission and UtiliCorp United or UtiliCorp B.C. will contribute equity within three months of any request by the Commission to achieve or maintain the required capital structure. If UtiliCorp United or UtiliCorp B.C. are unable or unwilling to contribute the required equity themselves, they will, without delay, cause WKPL, and WKPL will use its best efforts, to make an offering of and to issue, equity securities to Canadian investors.

9. WKPL will retain its head office and management function in Trail for at least ten years from the date of this Decision and will maintain the head office and management function in the WKPL service area for so long as UtiliCorp United and/or UtiliCorp B.C. own a controlling interest in WKPL.

10. UtiliCorp United will not sell all or part of its shares in UtiliCorp B.C. and UtiliCorp B.C. will not issue securities in such a way as to directly or indirectly convey a reviewable interest as defined in Section 61 of the Act in UtiliCorp B.C. to any other person without the prior approval of this Commission.

11. UtiliCorp B.C. will retain in Canada all dividends paid by WKPL to it in the five years from the date of this Decision.

II. The Application by West Kootenay Power and Light Company, Limited is approved.

ORDER NO.

G-32-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED June 1 **EFFECTIVE June 1**

Approved the following effective June 1, 1987:

1. Inland is to establish a deferral account in the amount of $1.8 million as a reserve deferral to fiscal 1988.

2. Inland is to establish a deferral account in the amount of $1.1 million and Inland's rates, effective July 1, 1987, will recognize a nomination of 4900 10^3m^3 of natural gas purchased from its supplier, Westcoast Transmission Company Limited.

3. The Commission will determine the appropriate disposition of matters referred to in clause 2 above.

G-33-87 **COLUMBIA NATURAL GAS LIMITED**

ISSUED June 1 **EFFECTIVE June 1**

Approved and accepted for filing effective June 1, 1987 the Second Revision of Gas Tariff Sheet No. 28.

This amendment is to the General Terms and Conditions section of the filed Gas Tariff and introduces to qualifying Residential Service customers of Columbia Natural Gas Ltd. ("Columbia") the availability of an Incentive Payment of $100 to assist in the conversion of water heating appliances from other fuels to natural gas.

The method of accounting applicable to Columbia's Water Heating Program is the net marginal method with the income tax credit as an offset to Rate Base, calculated at the rate of Corporation Tax applicable in the year the outlay is made.

Columbia will provide the Commission with its reassessment of the Water Heating Program one year after introduction thereof.

ORDER NO.

G-34-87 **FORT NELSON GAS LTD.**

ISSUED June 1 **EFFECTIVE June 1**

Accepted for filing effective June 1, 1987 the following:

- Third Revision of Index
- Third Revision of Sheet No. 18

These amendments are to the General Terms and Conditions section of the filed Gas Tariff and introduces to Residential Service customers of Fort Nelson Gas Ltd. ("FNG") the availability of an Incentive Payment of $100 to assist in the conversion of water heating appliances from other fuels to natural gas.

The method of accounting applicable to FNG's Water Heating Program is the net marginal method with the income tax credit as an offset to Rate Base, calculated at the rate of Corporation Tax applicable in the year the outlay is made.

FNG will provide the Commission with its reassessment of the Water Heating Program one year after introduction thereof.

G-35-87 **PRINCETON LIGHT AND POWER COMPANY, LIMITED**

ISSUED June 1 **EFFECTIVE May 1**

Approved and accepted for filing effective May 1, 1987, amended Tariff Rate Schedules incorporating decreases in the range of 0.025 cents/kWh, appropriate to reflect the effect of a decrease in the cost of purchases power in accordance with Commission Order No. G-14-87 as follows:

Second Revision Pages 21B/29A
Third Revision Pages 22A/24A
Fifth Revision Page 17A
Eighth Revision Pages 15/19/32/34/36
Twelfth Revision Pages 14/16/18/20/22/24/27/29/31/33/35

ORDER NO.

G-35-87 **PRINCETON LIGHT AND POWER COMPANY, LIMITED**
(continued)

Princeton Light is to proceed with refunds to its customers of record in the period January 1, 1986 through April 30, 1987. Such refunds are to include interest calculated at the average prime rate of the principal bank with which Princeton Light conducts its business.

G-36-87 **HEMLOCK VALLEY ELECTRICAL SERVICES LTD. and HEMLOCK VALLEY RESORTS INC.**

ISSUED June 9 **EFFECTIVE June 9**

Approved Applications effective June 9, 1987 by Hemlock Valley Electrical Services Ltd. ("Hemlock Electrical") and Hemlock Valley Resources Inc. ("Hemlock Resorts") dated January 30, 1987, to register on the books of Hemlock Electrical the transfer of all Hemlock Electrical shares from Hemlock Valley Recreation Limited to Hemlock Resorts.

The management of Hemlock Electrical will take into account all regulatory decisions and directions issued to date by the Commission applicable to Hemlock electrical and will endeavour to develop reduced electrical service rates within the Hemlock Valley Electrical Services Ltd. service area.

G-37-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED June 17 **EFFECTIVE June 17**

This order was issued concurrent with a Decision arising from a hearing inquiring into the appropriate Terms and Conditions for which approval was sought and other matters incidental to the provision of Transportation service.

The Commission ordered that Inland comply with the directions contained in its Decision dated June 17, 1987, on or before the dates prescribed for compliance in the Decision.

ORDER NO.

G-38-87 **PACIFIC NORTHERN GAS LTD.**

ISSUED June 25 **EFFECTIVE June 25**

Approved the issuance by Pacific Northern Gas Ltd. ("PNG") of $30 million of 10.85% Secured Debentures, 2002 Series. The maturity date of the Debentures will be July 15, 2002.

The Commission had granted approval in principle to PNG's proposed issue of Debentures by letter dated April 24, 1987 and on June 25, 1987 PNG advised that they have reached agreement concerning the proposed debenture issue.

G-39-87 **COLUMBIA NATURAL GAS LIMITED**

ISSUED June 10 **EFFECTIVE June 10**

Accepted for filing effective June 10, 1987 Tariff Supplement No. 8 incorporating Original Sheets No. 8-1 through 8-5.

This concerns the Buy/Sell Agreement dated November 3, 1986 between Columbia and Crestbrook Pulp and Paper Ltd. and Crestbrook Forest Industries Ltd. regarding the transportation and delivery of natural gas purchased from Czar Resources Ltd. to Crestbrook Forest Industries Ltd.

G-40-87 **COLUMBIA NATURAL GAS LIMITED**

ISSUED July 20 **EFFECTIVE July 20**

Accepted for filing effective July 20, 1987 as Tariff Supplement No. 9, incorporating Original Sheets 9-1 through 9-5, a negotiated Buy/Sell Agreement between Columbia and Westar Mining Ltd. concerning the transportation and delivery of natural gas purchased from Westar Gas to Westar Mining Ltd.

ORDER NO.

G-41-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED July 2 **EFFECTIVE July 2**

Accepted for filing effective July 2, 1987 the negotiated Agreement involving Rate Schedule 14 pertaining to the provision of natural gas compression and dispensing equipment owned by Inland at a service station operated by Mohawk Oil Co. Ltd. located at Kamloops, B.C.

The negotiated Agreement referred to above, appropriate to be designated as Tariff Supplement No. 31.

Original Sheets 31-1 through 31-7

G-42-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED July 2 **EFFECTIVE July 2**

Approved and accepted for filing effective July 2, 1987 the following amended Tariff Sheets:

- First Revision Sheets No. 11/12/13/37/39
- Second Revision Sheet No. 7
- Third Revision Sheets No. 1/39
- Fourth Revision Sheet No. 34

These amendments are essentially of a housekeeping nature not resulting in increases to Inland's customers.

G-43-87 **WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED**

ISSUED August 4 **EFFECTIVE August 4**

Accepted for filing, effective August 4, 1987 revisions to Electric Rate Schedule 73 as incorporated in First Revision of Original Sheet 68.8

Tariff Rate Schedule 73 pertaining to "Extensions - all Areas".

ORDER NO.

G-44-87 **FORT NELSON GAS LTD.**

ISSUED August 4 **EFFECTIVE July 2**

Accepted for filing, effective July 2, 1987 the following amendments to filed Gas Rate Schedules as proposed by Fort Nelson Gas ("FNG"):

- Original Sheets No. 1.1, 1.2, 5.1 to 5.19 inclusive
- First Revision of Sheets No. 1, 7 to 19 inclusive
- Second Revision to Index Sheet No. 6
- Third Revision of Sheets No. 21 and 5
- Fourth Revision of Index
- Eighteenth Revision of Sheet No. 4
- Nineteenth Revision of Sheet No. 3

FNG applied May 22, 1987 for approval of the above amendments to its filed Gas Rate Schedules containing appropriate conversions from Imperial measurement to Metric measurement and to implement an Atmospheric Pressure Reduction factor.

G-45-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED August 4 **EFFECTIVE August 4**

Ordered the following after consideration of an Application by B.C. Hydro for acceptance for filing as Tariff Supplements, two Interruptible Sales Agreements dated February 1, 1987, one with Canada Cement LaFarge Ltd., and one with Tilbury Cement Limited:

1. The Interruptible Sales Agreements between British Columbia Hydro and Power Authority, Gas Operations and Canada Cement LaFarge Ltd. and Tilbury Cement Limited are not accepted for filing as Tariff Supplements as submitted on March 25, 1987.

2. Upon B.C. Hydro submitting for Commission approval and acceptance for filing the respective Interruptible Sales Agreements, each inclusive of Appendix "A" - Rates, the Commission will give expeditious approval thereto as Tariff Supplements No. 2 and 3, respectively.

ORDER NO.

G-46-87 WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED

ISSUED August 4 EFFECTIVE August 4

Accepted for filing revisions to Electric Tariff Rate Schedule 80 as incorporated in Second Revision of Original Sheets No. 69 and 70.

These revisions refer to "Charges for Connection or Reconnection of Service, Transfer of Account, Testing of Meters and various Custom Work".

G-47-87 PACIFIC NORTHERN GAS LTD.

ISSUED August 4 EFFECTIVE August 4

A written complaint on behalf of Northwestern Panelboard against Pacific Northern Gas Ltd. ("PNG") alleged being billed for excessive volumes of natural gas consumption during an eight month period in 1984/1985 was filed with the Commission.

On November 14, 1986 the Commission issued Order No. G-70-86 directing Mr. W.J. Grant, Director of Petroleum Engineering, to investigate the complaint and report.

The report was submitted on April 23, 1987 and the Commission ordered as follows:

1. The Commission adopts Mr. Grant's April 23, 1987 report on the investigation of the Northwest Panelboard complaint as final.

2. In accordance with the recommendations in Mr. Grant's report, PNG is to accept responsibility for payment of costs arising from a recent meter change out and testing involving the complainant.

3. In future, PNG shall arrange for the testing for efficiency of all industrial meters when they are pulled from service.

ORDER NO.

G-48-87 C A N C E L L E D

G-49-87 C A N C E L L E D

G-50-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED July 28 **EFFECTIVE July 28**

Approved an application dated July 28, 1987 for the transfer from the Rate Stabilization Account, as at June 30, 1987, into income, of the amount of $43.9 million gross (before direct expenses of $17.0 million).

G-51-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED August 4 **EFFECTIVE August 4**

Approved an Application dated July 28, 1987 for the transfer from the Rate Stabilization Account, as at March 31, 1988, into income, of the amount of $116 million gross (before direct expenses), less $43.9 million gross authorized by Commission Order No. G-50-87.

G-52-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED August 5 **EFFECTIVE August 5**

Order No. G-38-86 granted Inland Natural Gas Co. Ltd. ("Inland") an interim refundable rate increase of 2.32% effective July 1, 1986.

Order No. G-47-86 set down a public hearing to commence September 22, 1986.

The Commission considered the Application and the evidence adduced thereon, during 19 days of public hearing, all set forth in a Decision issued concurrently with this Order and ordered as follows:

1. The Rate Base and Revenue Requirement for the Fiscal Year ended June 30, 1987 are as set out in Schedule 1 contained in the Decision.

ORDER NO.

G-52-87 **INLAND NATURAL GAS CO. LTD.**
(continued)

2. Inland is to proceed with refunds to its customers of record in the period July 1, 1986 through August 31, 1987 as specified in the Decision of the Commission issued concurrently with this Order. Such refunds are to include interest calculated as specified in Order No. G-38-86. A reconciliation schedule is required to be filed with the Commission concurrently.

3. The Commission will accept for filing, subject to timely filing thereof, amended Tariff Rate Schedules confirming as firm effective September 1, 1987, rates which will conform to the terms of the Commission's August 6, 1987 Decision.

4. Inland will comply with the several directions incorporated in the Commission Decision.

G-53-87 **ICG LIQUID GAS LTD.**

ISSUED August 5 **EFFECTIVE August 5**

After review and consideration of an Application by ICG Liquid Gas Ltd. ("ICG") seeking the granting to ICG a Certificate that public convenience and necessity requires the construction and operation of certain storage and distribution works to serve commercial and residential developments with propane gas service in the area of Blackcomb Benchlands, north of Fitzsimmons Creek in the Resort Municipality of Whistler, B.C. (the "Blackcomb System"), and exemption from all provisions of the Utilities Commission Act, other than Part 2. The Commission ordered as follows:

1. Effective August 4, 1987 a Certificate of Public Convenience and Necessity is granted to ICG to proceed with construction of propane gas storage and distribution facilities to serve various commercial and residential developments in the area of Blackcomb Benchlands, north of Fitzsimmons Creek, in the Resort Municipality of Whistler, B.C.

ORDER NO.

G-53-87 **ICG LIQUID GAS LTD.**
(continued)

It is a condition of this Order that in the event of the selection of an interested party other than ICG to provide propane gas service to the Blackcomb Benchlands that such other party shall be required to purchase from ICG the total cost of its construction of the Blackcomb System.

2. In view of other Applications, either pending, or which may be received from other interested parties following a public notice, the Commission, in a future Order, to be issued after October 15, 1987, will establish a public hearing to determine the appropriate party to serve Blackcomb Benchlands area. The matter of Applications for Exemption from the provision of the Utilities Commission Act, other than Part 2 will also be determined at that time.

3. In respect to the Whistler System the Commission approves the amendment requested by ICG and as a consequence, the number of connected customers or accounts specified in Order No. G-105-85 is amended from 35 to 45.

G-54-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED August 26 **EFFECTIVE August 26**

Approved and accepted for filing effective August 26, 1987 the following amendments to the Tariff Rate Schedules.

Seventh Revision of Index Page v
Ninth Revision of Page C-54
Ninth Revision of Page C-55

The Application dated August 14, 1987 sought approval to cancel Electric Tariff Rate Schedule 1899 and to amend Electric Tariff Rate Schedule 1821 by merging Schedule 1899 thereinto. This is intended to eliminate confusion, and is stated to leave unchanged "customer costs" and B.C. Hydro's revenues."

ORDER NO.

G-55-87 **APPLICATIONS FOR ENERGY PROJECT CERTIFICATES TO CONSTRUCT AND OPERATE "BY-PASS" NATURAL GAS PIPELINES AT OR NEAR PRINCE GEORGE, B.C.**

ISSUED September 1 EFFECTIVE September 1

The hearing into the above-mentioned was ordered as follows:

1. The hearing will proceed in two phases. Phase 1 will address the Application by Northwood Pulp and Timber Ltd. ("Northwood") while Phase 2 will address the Prince George Pulp and Paper Limited ("PGPP") and Husky Oil Operations Ltd. ("Husky") Application.

2. Phase 1 of the hearing will commence September 9, 1987 at Prince George, B.C.

3. Phase 2 of the hearing will commence October 14, 1987 at a location to be stipulated later.

4. The Commission is prepared to sit at Penticton at a time and place to be later stipulated.

G-56-87 **WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED**

ISSUED September 22 EFFECTIVE September 22

Approved and accepted for filing effective September 22, 1987 the following three Operating Agreements between West Kootenay Power and Light Company, Limited ("WKPL") and Cominco Ltd. ("Cominco") as replacement for the Omnibus Agreement of 1985 which has been in effect during a period when Cominco was the parent company of WKPL.

1. Interconnection Agreement
2. Management Agreement
3. Facilities Sharing Agreement

ORDER NO.

G-57-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED September 28 EFFECTIVE September 28

British Columbia Hydro and Power Authority ("B.C. Hydro") applied for approval to include in its operating expenses the subsidy payments for Field (BCUC Order No. G-65-82), after the sale of the power system in Field, B.C. from Northern Canada Power Commission to Synex Energy Resources Ltd. ("Synex"), with a change to the applicability and the method of calculation for the subsidy.

Synex proposes to build a distribution extension from TransAlta Utilities Corporation supply at Lake Louise to Field, B.C.

The Commission reviewed the Application and ordered B.C. Hydro as follows:

1. B.C. Hydro will subsidize Field residential and general customers other than premises owned by the Federal Government or C.P. Rail.

2. B.C. Hydro will subsidize approved residential and general customers for consumption up to 550 kWh per month the lesser of:

   B.C. Hydro Theoretical Cost of Power, less
   7.5 cents x the consumption up to 550 kWh/month;

   or

   Synex Actual Cost, less
   7.5 cents x the consumption up to 550 kWh/month.

3. B.C. Hydro's theoretical cost of power is the rate per kWh that would be derived from the estimated annual cost of providing power to Field via a distribution extension from TransAlta Utilities Corporation.

ORDER NO.

G-57-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY** (continued)

4. The 7.5 cents/kWh will remain firm until the first step of B.C. Hydro's Residential Rate 1101 exceeds 7.5 cents, at which time it will be subject to all rate changes affecting B.C. Hydro's Residential Rate 1101. At no time shall the base figure go below 7.5 cents/kWh.

5. To qualify for the subsidy customers must apply to and be approved by Synex. Synex will calculate the subsidy for qualifying accounts on the above formula and submit a monthly bill and detailed statement to B.C. Hydro.

G-58-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED September 25 EFFECTIVE September 30

Variance to Clause 1 of Commission Order No. G-13-87 by substituting January 15, 1988 for June 30, 1987 the date by which a formal application in support of a $.14/gigajoule increase in natural gas rates effective November 1, 1986, which is subject to refund with interest, is to be submitted.

G-59-87 **PRINCETON LIGHT AND POWER COMPANY LIMITED**

ISSUED July 20 EFFECTIVE July 20

Accepted for filing effective July 20, 1987 amended Terms and Conditions as part of Electric Tariff BCUC No. 3.

Frontispiece
Original Index Pages 1 and 2
Original Pages 1 through 117

G-60-87 **WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED**

ISSUED October 8 EFFECTIVE October 8

Accepted for filing effective October 8, 1987 revisions to Tariff Rate Schedules 40 (Wholesale Service), and 41 (Power Supply to City of Nelson to supplement the output of its hydro-electric plant), as follows:

ORDER NO.

G-60-87 **WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED** (continued)

Sixth Revision of Original Sheet 29
Sixth Revision of Original Sheet 30

The revision does not provide any increase or decrease in customer billing at this time.

G-61-87 **WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED**

ISSUED October 23 EFFECTIVE October 23

Approved the issuance to UtiliCorp B.C. Ltd. ("UtiliCorp") of 22,000 Common Shares (par value $100) of the unissued capital stock of West Kootenay Power and Light Company, Limited ("WKPL") at a price of $100 per share.

In November 1987 WKPL will be remitting to UtiliCorp a total of $2,193,000 in payment of Common Share dividends declared for the months of March to September 1987, inclusive, and UtiliCorp will reinvest those dividends in WKPL on a permanent basis.

The dividends already declared amount to about 44% of expected WKPL earnings in 1987 which accords reasonably with the Commission's June 30, 1987 Decision; and no further common share dividends are planned by WKPL for the remainder of the year.

G-62-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED October 26 EFFECTIVE October 26

Ordered an Application by Inland Natural Gas Co. Ltd. ("Inland") to be heard in public November 19, 1987.

The Application was for an Order approving the acquisition by Inland from Superior Propane Inc. of a reviewable interest of Squamish Gas Co. Ltd. ("Squamish"), being 100% of the voting shares of Squamish.

ORDER NO.

G-62-87 **INLAND NATURAL GAS CO. LTD.**
(continued)

The Application by Inland stated:

> "If the Utilities Commission grants the Order sought hereunder Inland proposes to cause Squamish Gas to purchase from Superior all of the assets of Granisle Grid System and to hold and operate such assets as a separate regulatory unit within Squamish Gas".

Section 61(8) of the Act states:

> "The Commission may give its approval under this section subject to conditions and requirements it considers necessary or desirable in the public interest, but the Commission shall not give its approval under this section unless it considers that the public utility and the users of the service of the public utility will not be detrimentally affected."

G-63-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED October 28 EFFECTIVE October 30

Accepted for filing amendments to Electric Tariff Rate Schedule as follows:

> First Revision of Pages C-2-5, C-2-6, C-2-7, C-2-8, C-2-9, C-17-5, C-17-6, C-17-7, C-17-8, C-17-9
>
> Sixth Revision of Index Page iii
> Eighth Revision of Index Page iv

These amendments to Electric Tariff Rate Schedule 1105 (Residential Dual Fuel Interruptible Service) and 1205 (General Dual Fuel Interruptible Service - Small Commercial), and the introduction of New Tariff Rate Schedules 1206 (General Dual Fuel Interruptible Service - Large Commercial) and 1207 (General Dual Fuel Interruptible Service - Industrial), will permit the extension of low-cost interruptible electric heating rates to customers of wood and coal fuel burning back-up systems.

ORDER NO.

G-64-87 **ICG LIQUID GAS LTD., ICG UTILITIES (BRITISH COLUMBIA) LTD. and INLAND NATURAL GAS CO. LTD.**

ISSUED October 27 EFFECTIVE October 30

The following Applications are set down for public hearing on November 23, 1987 at the Blackcomb Hotel (Whistler):

1. Applications for a Certificate of Public Convenience and Necessity for construction and operation of a gas distribution system for Blackcomb Benchlands were made by ICG Liquid Gas Ltd. on July 2, 1987 (to be exempt from regulation); and from Inland Natural Gas Co. Ltd. on August 21, 1987 (to be operated as a regulated facility).

2. An Application on September 22, 1987 sought Commission approval of the sale of utility assets by ICG Liquid Gas Co. Ltd. to ICG Utilities (British Columbia) Ltd. for $355,000 and the assignment of any related Certificates of Public Convenience and Necessity from ICG Liquid Gas Ltd. to ICG Utilities (British Columbia) Ltd.

3. A Joint Application by ICG Liquid Gas Ltd. and ICG Utilities (British Columbia) Ltd. on October 13, 1987 sought to amend the July 2, 1987 Certificate Application by substituting ICG Utilities (British Columbia) Ltd. for ICG Liquid Gas Ltd.; abandon the relief sought in paragraph (b) thereof; to seek a Certificate of Public Convenience and Necessity in respect of the whole area within the Resort Municipality of Whistler and not simply the Blackcomb Benchlands area; to vacate the provisions of Commission Order No. G-102-85 to the extent that it exempts the Whistler System (as therein defined from regulation under the Utilities Commission Act.

G-65-87 **WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED**

ISSUED October 29 EFFECTIVE October 29

Approved and accepted for filing effective October 29, 1987 the following amendment to the Electric Tariff:

Eighth Revision of Original Sheet 38

ORDER NO.

G-65-87 **WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED** (continued)

The amendment will enable those customers now taking service under Tariff Rate Schedule 60 (Irrigation - Closed Rate) to transfer and take service under Tariff Rate Schedule 61 without incurring an increased minimum for the season but will require the transferees to upgrade their services and install meter bases.

G-66-87 **FORT NELSON GAS LTD.**

ISSUED October 29 EFFECTIVE October 29

Approves for implementation and accepts for filing, effective October 29, 1987 the Gas Tariff submissions of Fort Nelson Gas Ltd. ("FNG") as follows:

1. Twentieth Revision of Sheet No. 3, Original Sheet No. 3.1.
2. Twentieth Supplement No. 1, Original Sheets 1 through 7.

These revisions permit NGV service at service outlets owned and operated by Imperial Oil Limited at Fort Nelson, B.C.

G-67-87 **WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED**

ISSUED October 29 EFFECTIVE October 29

Approves for implementation and accepts for filing, effective October 29, 1987, the following amendments to the filed Electric Tariff:

First Revision of Original Electric Tariff
Sheets K-1, L, M and N

The amendments concern appropriate measures relating to proration of charges in customer billings.

ORDER NO.

G-68-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED October 29 EFFECTIVE October 29

Approved and accepted for filing the following amendment to the Electric Tariff effective November 3, 1987:

Sixth Revision of Page A-7

This amendment is in recognition of the connection on October 21, 1987 of the Village of Bamfield to the Integrated System of B.C. Hydro by means of a new three-phase distribution line, with the deletion of Bamfield from Rate Zone II and the former diesel generation taken out of active service.

G-69-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED October 29 EFFECTIVE November 1

Approved the following interim measure to be in place which will provide an adequate safeguard for Inland Natural Gas Co. Ltd. ("Inland") and its customers.

1. Inland is authorized to establish, effective November 1, 1987, a deferred account in which it will record the revenues lost to Inland as a result of negotiated agreements concluded with its Industrial customers and approved by the Commission in accordance with the requirements of deregulation and the emergence of competitive principles; rate reductions arising from the movement of North Central Plywood ("NCF") from Rate Schedule 5 to Large Industrial status; the flow-through of changes in the commodity cost of gas and retroactive changes in Westcoast Tolls beyond the control of Inland on a "go-forward" or prospective basis.

2. Rate changes applicable to the core customers will occur as a single rate change at a future date such that the collection of any deferred revenue shifts coincides with the flow-through of changes in the commodity cost of gas and Westcoast tolls.

ORDER NO.

G-70-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED November 4 EFFECTIVE November 1

Approved and accepted for filing effective November 1, 1987 the following amendments to Tariff Rate Schedules 21 and 22:

First Revision Sheet 303
First Revision Sheet 332

These amendments concern Transportation Service applicable to Captive Large Industrial customers.

G-71-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED November 4 EFFECTIVE November 1

Inland Natural Gas Co. Ltd. ("Inland") applied for approval and acceptance of an interim agreement dated October 30, 1987 between Inland and Prince George Pulp and Paper Limited.

The Commission accepted for filing effective November 1, 1987 as interim firm the Demand and Commodity rates proposed, it being understood that upon delivery to the Commission of a completed contract that document will be considered to be a Tariff Supplement. It is further understood that the proposed rates may be adjusted to incorporate certain Westcoast charges amended in accordance with the determination of the National Energy Board.

G-72-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED November 4 EFFECTIVE November 1

Inland Natural Gas Co. Ltd. ("Inland") applied for approval and acceptance of an interim agreement dated October 30, 1987 between Inland and Husky Oil Operations Ltd.

The Commission accepted for filing effective November 1, 1987 as interim firm the Demand and Commodity rates proposed, it being understood that upon delivery to the

ORDER NO.

G-72-87 **INLAND NATURAL GAS CO. LTD.**
(continued)

Commission of a completed contract that document will be considered to be a Tariff Supplement. It is further understood that the proposed rates may be adjusted to incorporate certain Westcoast charges amended in accordance with the determination of the National Energy Board.

G-73-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED November 4 EFFECTIVE November 1

Inland Natural Gas Co. Ltd. ("Inland") applied for approval and acceptance of an interim agreement dated October 30, 1987 between Inland and Cariboo Pulp and Paper Company.

The Commission accepted for filing effective November 1, 1987 as interim firm the Demand and Commodity rates proposed, it being understood that upon delivery to the Commission of a completed contract that document will be considered to be a Tariff Supplement. It is further understood that the proposed rates may be adjusted to incorporate certain Westcoast charges amended in accordance with the determination of the National Energy Board.

G-74-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED November 4 EFFECTIVE November 1

Inland Natural Gas Co. Ltd. ("Inland") applied for approval and acceptance of an interim agreement dated October 30, 1987 between Inland and Quesnel River Pulp Company.

The Commission accepted for filing effective November 1, 1987 as interim firm the Demand and Commodity rates proposed, it being understood that upon delivery to the Commission of a completed contract that document will be considered to be a Tariff Supplement. It is further understood that the proposed rates may be adjusted to incorporate certain Westcoast charges amended in accordance with the determination of the National Energy Board.

ORDER NO.

G-75-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED November 6 EFFECTIVE November 1

Approved the interim rates as submitted by Inland and will accepted for filing a submission by Inland of a Tariff Supplement outlining the rate applicable to Northwood Pulp and Timber Limited ("Northwood") for a one-year term commencing November 1, 1987.

Northwood had applied for a hearing of their Application for an Energy Project Certificate which would enable them to construct and operate a bypass pipeline in the Prince George area. The disposition of the Application and Commission Report pursuant to Part 2 of the Utilities Commission Act has not been finally determined.

G-76-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED November 25 EFFECTIVE November 25

Approved the acquisition of Squamish Gas Co. Ltd. ("Squamish") by Inland Natural Gas Co. Ltd. ("Inland") effective November 25, 1987 subject to the following conditions:

A. (i) That any premium over the net book value as at March 31, 1987 of the equity of Squamish to be paid by Inland will not be recovered in the rates paid by the customers of Squamish.

(ii) That Squamish will be given free access by Superior Propane Inc. ("Superior") to any information substantiating the propane prices to Squamish by Superior, with monthly reports thereon to be filed with the Commission.

B. The acquisition of the assets of Granisle Grid by Squamish is approved effective November 25, 1987 but such approval is not to be construed by the Applicants as indicating that the Commission has recognized any specific value for the assets of Granisle Grid for regulatory purposes.

ORDER NO.

G-76-87 **INLAND NATURAL GAS CO. LTD.**
(continued)

C. Inland and Squamish will comply with the several conditions contained in the Commission Decision issued concurrently with this Order.

D. Inland and Squamish will comply with the commitments concerning customers.

E. The costs of these proceedings are to be shared equally by Inland and Superior.

G-77-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED December 2 EFFECTIVE December 7

Accepted for filing effective December 7, 1987 the following amended Tariff Rate Schedules:

Original page C-2-1
First Revision of Page C-22
Second Revision of Page C-21
Third Revision of Pages C-8-1/C-14/C-17
Fourth Revision of Index Page iii
Fourth Revision of Pages C-13/C-18/C-19/C-20
Fifth Revision of Page C-8
Eighteenth Revision of Pages C-4/C-7
Nineteenth Revision of Pages C-2/C-3

These revisions are in response to B.C. Hydro's Application dated November 20, 1987 reflecting changes arising from new gas commodity charges applicable to natural gas purchases effective November 1, 1987 as negotiated with its suppliers, plus related costs.

G-78-87 **CENTRAL COAST POWER CORPORATION**

ISSUED December 2 EFFECTIVE December 2

The Commission appointed Mr. J.M. Bogyo, a member of Commission staff with such other technical investigative personnel as may be determined necessary to pursue the matters of complaints related to customer service in the Ocean Falls area with the intent of providing a comprehensive report thereon to the Commission not later than Friday, January 29, 1988.

ORDER NO.

G-79-87 **SQUAMISH GAS CO. LTD.**

ISSUED December 3 EFFECTIVE September 28

Approved and accepted for filing, effective September 28, 1987 Gas Tariff Rate Schedule 1 as follows:

Twenty-third Revision of Sheet No. 10

The amendment provides for a rate reduction of 55.3 cents/Ccf covering the rates charged for propane gas in the service area of Squamish Gas, in accordance with an undertaking made at a November 23, 1987 public hearing.

G-80-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED December 11 EFFECTIVE November 1

This Order was issued concurrently with the Decision after the completion of a hearing of Applications by Inland Natural Gas Co. Ltd. ("Inland") for Transportation Tariffs and for Rate Design.

The Commission ordered Inland to comply with the several directions of the Commission appearing in the Decision with rate changes to be effective with consumption on and after November 1, 1987.

G-81-87 **COLUMBIA NATURAL GAS LIMITED**

ISSUED December 2 EFFECTIVE December 2

Accepted for filing effective December 2, 1987 Tariff Supplement No. 10 incorporating Original Sheets 10-1 through 10-5.

An Application by Columbia Natural Gas Limited ("Columbia") dated October 30, 1987 requested the filing of a Buy/Sell Agreement dated October 14, 1987 between Columbia and Crows Nest Resources Limited concerning the transportation and delivery of natural gas from Shell Canada Resources Limited to the Crows Nest Resources Limited mining complex at Sparwood, B.C.

ORDER NO.

G-82-87 **COLUMBIA NATURAL GAS LIMITED**

ISSUED December 2 EFFECTIVE December 2

Accepted for filing effective December 2, 1987 Tariff Supplement No. 11 incorporating Original Sheets 11-1 through 11-4.

An Application by Columbia Natural Gas Limited ("Columbia") dated October 30, 1987 requested the filing of a Buy/Sell Agreement dated October 31, 1987 between Columbia and Crestbrook Pulp & Paper Ltd. concerning the transportation and delivery of natural gas from Czar Resources Ltd. to the Crestbrook Forest Industries Ltd. pulp mill complex at Skookumchuck, B.C.

G-83-87 **COLUMBIA NATURAL GAS LIMITED**

ISSUED December 2 EFFECTIVE December 2

Accepted for filing effective December 2, 1987 Tariff Supplement No. 12 incorporating Original Sheets 12-1 through 12-4.

An Application by Columbia Natural Gas Limited ("Columbia") dated October 30, 1987 requested the filing of a Buy/Sell Agreement dated October 31, 1987 between Columbia and Crestbrook Forest Industries Ltd. concerning the transportation and delivery of natural gas from Czar Resources Ltd. to the Crestbrook Forest Industries Ltd. sawmill complex at Elko, B.C.

G-84-87 **COLUMBIA NATURAL GAS LIMITED**

ISSUED December 2 EFFECTIVE December 2

Accepted for filing effective December 2, 1987 Tariff Supplement No. 13 incorporating Original Sheets 13-1 through 13-4.

An Application by Columbia Natural Gas Limited ("Columbia") dated October 30, 1987 requested the filing of a Buy/Sell Agreement dated October 31, 1987 between Columbia and Crestbrook Forest Industries Ltd. concerning the transportation and delivery of natural gas from Czar Resources Ltd. to the Crestbrook Forest Industries Ltd. sawmill complex at Cranbrook, B.C.

ORDER NO.

G-85-87 **WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED**

ISSUED December 10 EFFECTIVE December 10

Approved the issuance of Secured Debentures, Series D in the total amount of $15,000,000 bearing interest of 11.375% per annum, to mature December 1, 1997, with a closing date for the issue of December 17, 1987.

G-86-87 **COLUMBIA NATURAL GAS LIMITED**

ISSUED December 17 EFFECTIVE December 17

Ordered a public hearing of an Application by Columbia Natural Gas Limited ("Columbia") and a complaint by Fording Coal Limited ("Fording") to be held February 23, 1988 at Cranbrook, B.C.

Columbia applied to amend its filed Gas Tariff Schedules to embody certain Rate Design matters by filing Volumes 1 and 2 on September 24, 1985, Volume 3 on July 31, 1986 and Volume 4 on September 30, 1987.

In a Decision dated January 21, 1987 the Commission stated that a complaint by Fording of rate discrimination by Columbia would be dealt with as part of the Columbia Rate Design hearing.

G-87-87 **PACIFIC NORTHERN GAS LTD.**

ISSUED December 10 EFFECTIVE April 1

Approved and accepted for filing the following Gas Tariff Sheets:

First Revision of Original Index
First Revision of Original Sheet 18
First Revision of Original Sheet 19

Pacific Northern Gas Ltd. applied November 12, 1987 for approval and acceptance of amendments to its filed Gas Tariff concerning Mains Extension Policy.

ORDER NO.

G-88-87 **BRITISH COLUMBIA HYDRO AND POWER AUTHORITY**

ISSUED December 22 EFFECTIVE December 22

British Columbia Hydro and Power Authority ("B.C. Hydro") applied December 21, 1987 for Commission approval of the continuance to include in its operating expenses for its electric service until June 30, 1988 the payment by B.C. Hydro to Yoho Power Ltd. ("Yoho") of money for the purpose of providing a subsidy to Residential consumers of electricity in the community of Field, B.C. who are served by Yoho.

After reviewing the Application the Commission ordered as follows:

1. The Commission approves the subsidy payment by B.C. Hydro to Yoho applicable to Residential consumers only, for the period September 29, 1987 through June 30, 1988, calculated on the difference between the existing rate of 21.55 cents/kWh as set forth in Yoho's Electric Tariff Schedule FLD-01 applicable to the first 550 kWh per month actual consumption and 7.50 cents per kWh.

2. Commission Order No. G-57-87 is rescinded.

G-89-87 **CENTRAL HEAT DISTRIBUTION LIMITED**

ISSUED December 22 EFFECTIVE January 2, 1988

Approved effective January 1, 1988 an interim average 3.7% increase to the Basic Steam Tariff only, with such increase to be subject to refund with interest calculated at the average prime rate of interest of the principal bank with which Central Heat conducts its business.

Ordered a public hearing of the Application by Central Heat dated November 26, 1987 to be held on February 9, 1988 in Vancouver.

ORDER NO.

G-90-87 INLAND NATURAL GAS CO. LTD.

ISSUED December 17 EFFECTIVE December 7

Approved and will accept for filing effective December 17, 1987, subject to timely filing thereof, appropriate amendments to Inland's Gas Tariff for Rate Schedule 13 - Industrial Peaking Service.

The amendments to the Rate Schedule Terms and Conditions will permit customers presently served under other Large Industrial Schedules, which provide for Authorized Overrun sales, to take gas under Rate Schedule 13.

G-91-87 BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

ISSUED December 21 EFFECTIVE December 21

British Columbia Hydro and Power Authority ("B.C. Hydro") applied for variance of Commission Order No. G-45-87.

After consideration of the application the Commission ordered as follows:

1. Upon B.C. Hydro submitting for Commission approval and acceptance for filing the respective Interruptible Sales Agreements between British Columbia Hydro Gas Operations and Canada Cement LaFarge Ltd. and Tilbury Cement Limited, each exclusive of Appendix "A" - Rates the Commission will approve and accept them for filing as Tariff Supplements No. 2 and 3, respectively.

2. The matter of confidentiality of rates will be considered during the next public hearing involving the Revenue Requirements of B.C. Hydro Gas Operations.

APPENDIX IV

CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY ISSUED IN 1987

ORDER NO.

C-1-87 **ALBERTA POWER LIMITED**

ISSUED March 21, 1987 EFFECTIVE March 18, 1987

Certificate granted for the construction, operation and maintenance of a 1.6 Km three phase, 25 KV electrical distribution extension to provide electric service to a 2,000 H.P. compressor station owned by Canadian Hunter Exploration Ltd. It is noted that B.C. Hydro has no suitable facilities nearby. A Utility Permit was issued by the Chief Inspector, Electrical Safety. A licence was issued by the Ministry of Lands, Parks and Housing.

C-2-87 **INLAND NATURAL GAS CO. LTD.**

ISSUED June 1 EFFECTIVE June 1

Approved the Application by Inland Natural Gas Co. Ltd. ("Inland") dated May 8, 1987 for a Certificate of Public Convenience and Necessity to construct and operate an 11.3 kilometre natural gas pipeline lateral as the third phase of Inland's 5-year looping project of the Salmon Arm Lateral.

C-3-87 **ICG UTILITIES (BRITISH COLUMBIA) LTD.**

ISSUED November 23 EFFECTIVE November 23

Ordered effective November 23, 1987 that a Certificate of Public Convenience and Necessity ("Certificate") be granted to ICG Utilities (British Columbia) Ltd. ("ICG") to provide gas service by underground distribution to commercial and residential customers within the boundaries of the Resort Municipality of Whistler ("Resort").

The exemption granted pursuant to Section 103 (3) of the Utilities Commission Act by Commission Order No. G-102-85 is vacated by reason of the granting of a

ORDER NO.

C-3-87 **ICG UTILITIES (BRITISH COLUMBIA) LTD.**
(continued)

Certificate for an area larger than the area within the exemption and the increase in the number of customers beyond the maximum number authorized by the exemption.

Commission Order No. G-53-87 granted ICG Liquid Gas Ltd. ("Liquids") a conditional Certificate to proceed with construction of propane gas storage and distribution facilities in the area of the Blackcomb Benchlands, adjacent to Whistler Town Centre in the Resort.

The Application by Liquids dated July 2, 1987 was amended October 13, 1987 with the result that ICG applied for a Certificate for the whole of the Resort.

APPENDIX V

CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY
PAY-TELEVISION AND/OR CABLE UNDERTAKING ISSUED IN 1987

Order No.	Date	Name of Undertaking	Pay TV or Cable	Area Serviced
T-1-87	June 3/87	PDC Pacific Digital Communications Corporation (Application for construction and operation of enhanced Private Voice and Data Services)	Pay TV & Cable	Province of British Columbia
T-2-87	August 27/87	PDC Pacific Digital Communications Corporation (Application for the operation of telecommunications carrier network services)	Pay TV & Cable	Province of British Columbia

APPENDIX VI

SUMMARY OF COMPLAINTS RECEIVED IN 1987 FROM UTILITY CUSTOMERS AND THEIR RESOLUTIONS

Inquiries from Utility Customers concerning Billing, Payment Requirements, etc.

One of the Commission's key responsibilities is to assist the public in dealing with regulated companies. While the majority of customer complaints are satisfactorily resolved by the utilities, some customer complaints are communicated to the Commission. In such instances, care is taken to compile all pertinent facts, with the objective being to bring the utility and the customer together to develop an amicable solution. The Commission is generally pleased with the cooperation demonstrated by the customers and the utilities in the matter of complaint resolution.

British Columbia Hydro and Power Authority

1. Complaint

An Armstrong customer complained that the utility had imposed a penalty of $1,100 on him to obtain hydro-electric power connection to service kennels, a new business venture.

Resolution

Commission staff pointed out to the customer that it was not a penalty that had been imposed but a refundable cash contribution and that represented a payment required by B.C. Hydro's filed Tariff since there was a perceived shortfall in revenue estimated to be generated from the installation in relation to the cost of construction. In reviewing this with

the utility it was agreed that the revenue generated would be reviewed on a monthly basis in an effort to accelerate the requirements for a refund.

2. Complaint

A manager of a Victoria apartment complex had received a 48-hour notice that electric and gas would be cut off at the building unless a security deposit of $7,500 was paid. The power was scheduled to be turned off that evening.

Resolution

Commission staff contacted the utility to review the situation and was informed that no payment had been received on time for a year and that the electric and gas bills were running about $2,400 per month. After further negotiation with the customer and the utility, it was agreed that the full security deposit would be paid the next morning and that termination of service would be cancelled if that commitment was fulfilled.

3. Complaint

A Langley commercial customer complained that he was unable to make application for service by phone or mail.

Resolution

After confirming the regulation with the utility, Commission staff explained to the customer the rationale of this regulation and that commercial/general service customers must make application in person and complete the necessary credit application form at that time.

4. Complaint

Gas service to a Vancouver restaurant was shut off due to non-payment of account by the new owner of an outstanding balance incurred by the previous owner. The new owner desired to open an account but the utility would not do this until the outstanding balance was paid plus security deposit, and the new owner produced proof of purchase of the business or a lease on the property. The customer indicated that he had a registered lease on the property and a business licence.

Resolution

Commission staff acted as a mediator in the dispute. Upon payment of $591 the utility was willing to turn on the gas and review the application when presented. The customer was satisfied with the arrangement.

5. Complaint

A Victoria professional man complained about what he perceived to be an unfair cost structure for electricity in the Province. In particular, the change in his rate structure from Residential to General Service because he was operating a part-time business out of his home. His request was that the Commission review the rate structure for Residential/Business homes.

Resolution

The Commission responded clarifying the Tariff Rate Schedule and explaining its rationale after looking into the customer's account. The matter has not been resolved and is under active consideration by the Commission at year end.

6. Complaint

A Vancouver professional man complained that the utility was demanding a security deposit of $650 as his account was 30 days in arrears, and that they refused to accept post-dated cheques from him.

Resolution

Upon investigation Commission staff determined that the account had been overdue for 6 months out of the previous 12. Other disconnect notices had been sent out and had been withdrawn after the account was brought up to date. This time, however, the disconnect was firm unless the security deposit was received, however, the utility was willing to accept three equal payments over three months. The customer was informed that he should contact the utility to make the arrangements.

7. Complaint

A Nanaimo customer complained that the variance in voltage at his residence would be detrimental to the life of his electrical appliances.

Resolution

Commission staff contacted the utility and requested that they investigate the area of concern expressed by the customer and requested information as to their policy in this regard. The utility did a check of the customer's home and determined that it was within the normal tolerance level. It was arranged that the utility would have a representative contact the customer to discuss his concerns and provide him with further information on the subject. A copy of all correspondence was sent to the customer.

8. Complaint

A Petrochemical Corporation submitted a written complaint in the matter of amendments to pro-forma contracts for firm and interruptible gas transportation service. It stated that negotiations between the utility and itself were at an impasse because of the "indemnification clause" and requested that it be rescinded.

Resolution

The utility was instructed that for a period from October 1, 1987 until the Commission rules on the transportation tariffs of the utility following a Rate Design hearing, the appropriate rate to use for the indemnification under the utilities indemnification clause is $.19/GJ. This revenue collected by the utility shall be kept in a deferred account to be determined by the Commission following the Rate Design hearing.

9. Complaint

A complaint recorded in 1986 by the Village of Fort Nelson regarding the Electric Rate Schedules as they affected the Fort Nelson District was resolved by Commission Order No. G-15-87 approving and accepting for filing amended Tariff Rate pages and the introduction of a B.C. Hydro Electric Rate Zone 1-B.

APPENDIX VII

ELECTRIC UTILITIES IN BRITISH COLUMBIA
DOMESTIC ELECTRICITY SALES - 1987

	REVENUE $	VOLUME (Gwh)
Crown-Owned Electric Utility		
British Columbia Hydro and Power Authority	1,494, 331,000	35,053.35
Municipally-Owned Electric Utilities		
City of Grand Forks	978,000	24.87
City of Kelowna	8,066,000	213.03
City of Nelson	4,331,000	114.29
City of New Westminster	12,729,000	262.32
City of Penticton	7,284,000	209.62
District of Summerland	1,954,000	57.42
	35,342,000	881.55
Investor-Owned Electric Utilities		
Hemlock Valley Electrical Services Limited	133,000	1.55
Princeton Light and Power Company, Limited	2,248,000	53.77
West Kootenay Power & Light Company, Limited	47,643,000	1,405.20
Yukon Electrical Company Limited	94,000	0.42
	50,118,000	1460.94
TOTAL	1,579,791,000	37,395.58

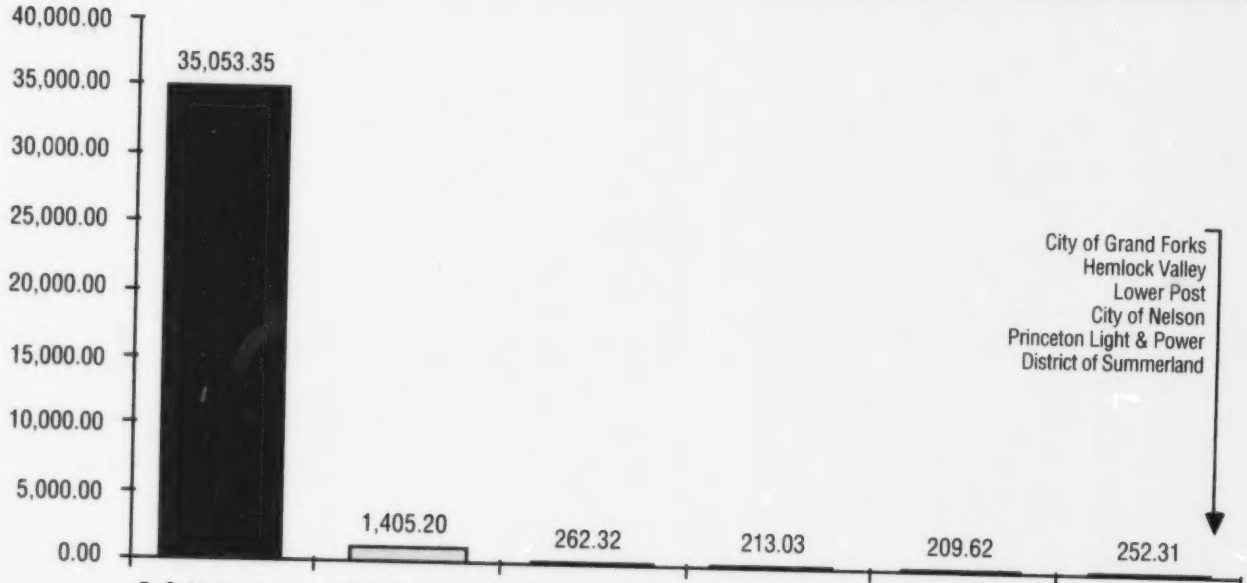
NOTES TO APPENDIX VII

1. 1 gigawatt hour (Gwh) = 1 million kilowatt hours.

2. All figures reported are on a calendar year basis.

3. Revenues and volumes for West Kootenay Power and Light Company, Limited and British Columbia Hydro and Power Authority are net of sales to other reporting utilities.

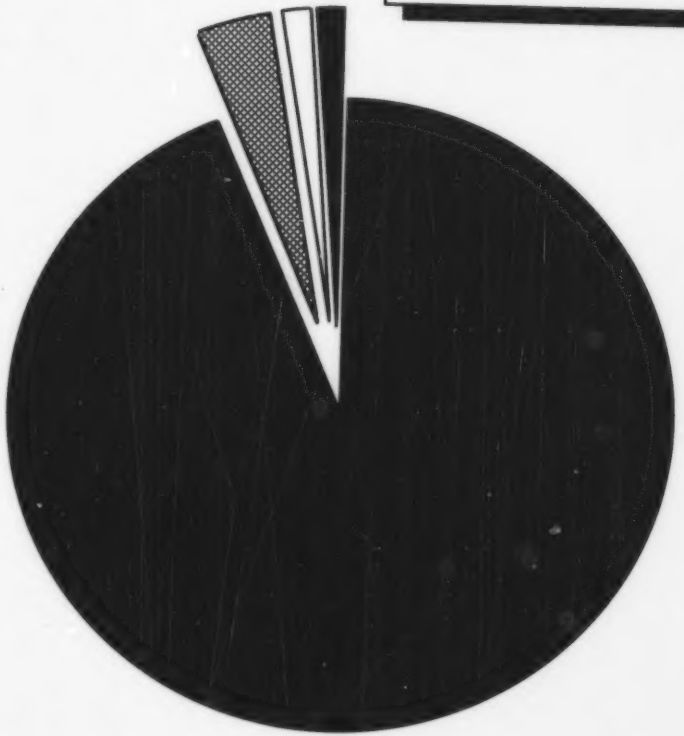
ELECTRICITY SALES VOLUMES WITHIN B.C. 1987 (GWh)



Customers Served	B. C. Hydro (net of New West., WKPL)	West Kootenay Power & Light (net)	City of New Westminster	City of Kelowna	City of Penticton	Others (6)
Industrial @ 60KV+	79	2	--	--	--	--
Commercial	144,658	6,317	2,284	1,533	1,535	2,322
Residential	1,057,936	54,516	18,455	8,932	10,390	13,079

APPENDIX VIII

ELECTRICITY SALES VOLUMES WITHIN B.C. 1987 (GWh)



- **B. C. Hydro - 93.74%**
- **West Kootenay Power & Light - 3.76%**
- **Cities of Kelowna & Penticton - 1.13%**
- **Others - 1.37%**
  - City of Grand Forks
  - Hemlock Valley
  - Lower Post
  - City of Nelson
  - Princeton Light & Power
  - District of Summerland
  - City of New Westminster - .72%

APPENDIX IX

APPENDIX X

GAS UTILITIES IN BRITISH COLUMBIA
DOMESTIC GAS SALES - 1987

	REVENUE $	VOLUME (GJ)
Crown-Owned Electric Utility		
British Columbia Hydro and Power Authority	356,952,000	91,355,000
Investor-Owned Gas Utilities		
Columbia Natural Gas Limited	18,622,000	8,085,000
Fort Nelson Gas Ltd.	1,581,000	464,000
ICG Utilities (British Columbia) Ltd.	6,304,000	2,101,000
Inland Natural Gas Co. Ltd.	121,778,000	43,418,000
Northland Utilities (B.C.) Ltd.	5,450,000	1,392,000
Pacific Northern Gas Ltd.	74,653,000	34,010,000
	228,388,000	89,470,000
Investor-Owned L.P. Grid System Utilities		
ICG Utilities - Nanaimo, Port Alice and Whistler Systems	2,772,000	262,000
Squamish Gas Co. Ltd. (includes Granisle Grid System)	1,219,000	179,000
Sunshine Valley Utilities Ltd.	28,000	3,000
	4,019,000	444,000
TOTAL	589,359,000	181,269,000

NOTES TO APPENDIX X

1. 1 gigajoule (GJ) is approximately equivalent to 0.922 Mcf of natural gas or 0.376 Mcf of propane vapour in L.P. gas grid systems.

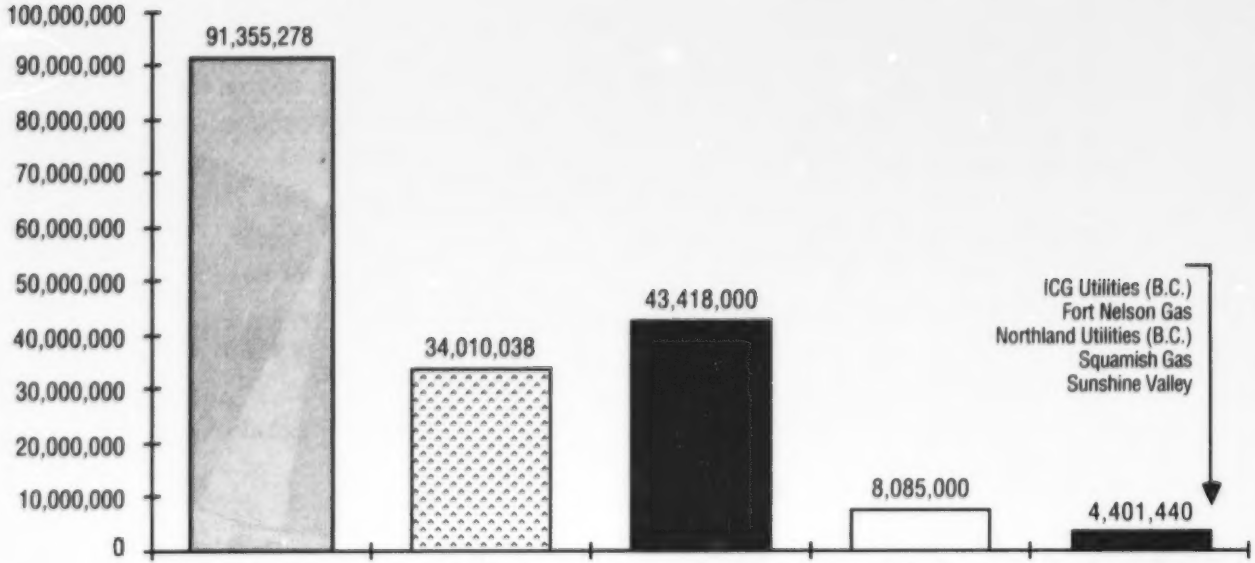
2. All figures reported are on a calendar year basis.

3. Revenues and volumes for Inland Natural Gas Co. Ltd. are net of sales to its wholly-owned subsidiary Columbia Natural Gas Limited.

4. Volumes of GJ shown include sales to end-use customers plus gas owned by customers and transported to industrial operations.

5. Revenues reported for natural gas utilities include only transportation margins for large industrial customers who have purchased gas supplies directly from producers. In previous years, the volumes and revenues were reported as direct sales by utilities.

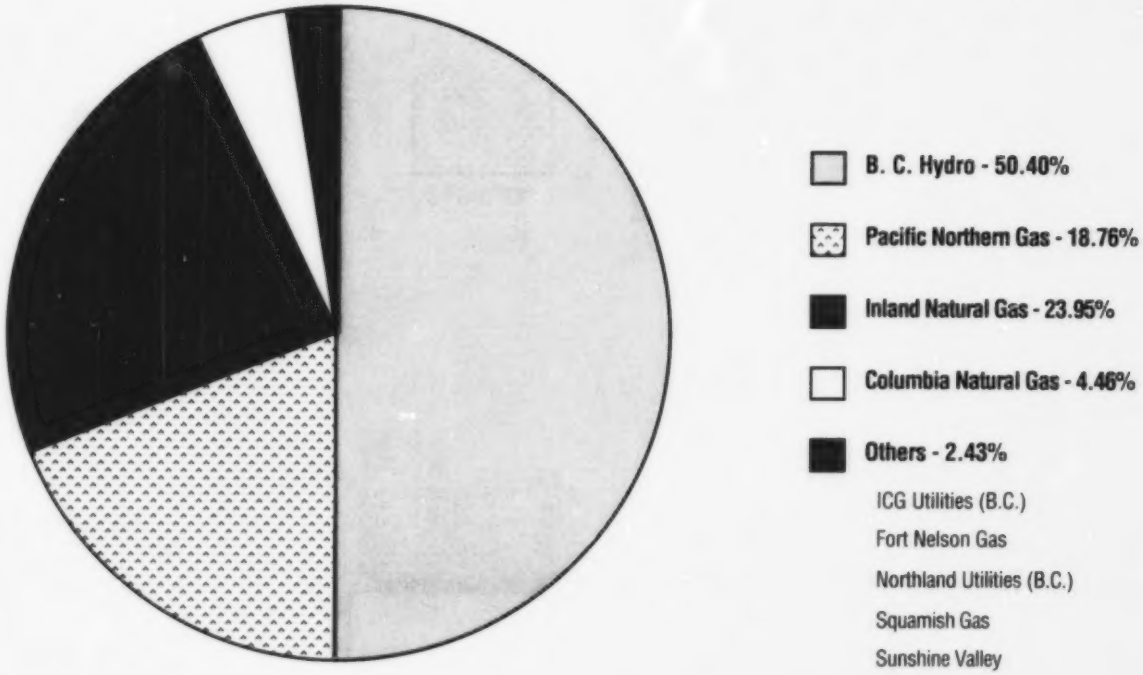
NATURAL GAS & PROPANE UTILITY SALES (GJ) WITHIN B.C., 1987



Customers Served	B. C. Hydro	Pacific Northern Gas	Inland Natural Gas (net)	Columbia Natural Gas	Others (5)
Industrial	541	32	116	12	16
Commercial	41,225	2,080	13,736	518	2,510
Residential	352,653	10,385	108,937	13,899	13,740

APPENDIX XI

NATURAL GAS & PROPANE UTILITY SALES (% OF TOTAL GJ) WITHIN B.C. 1987

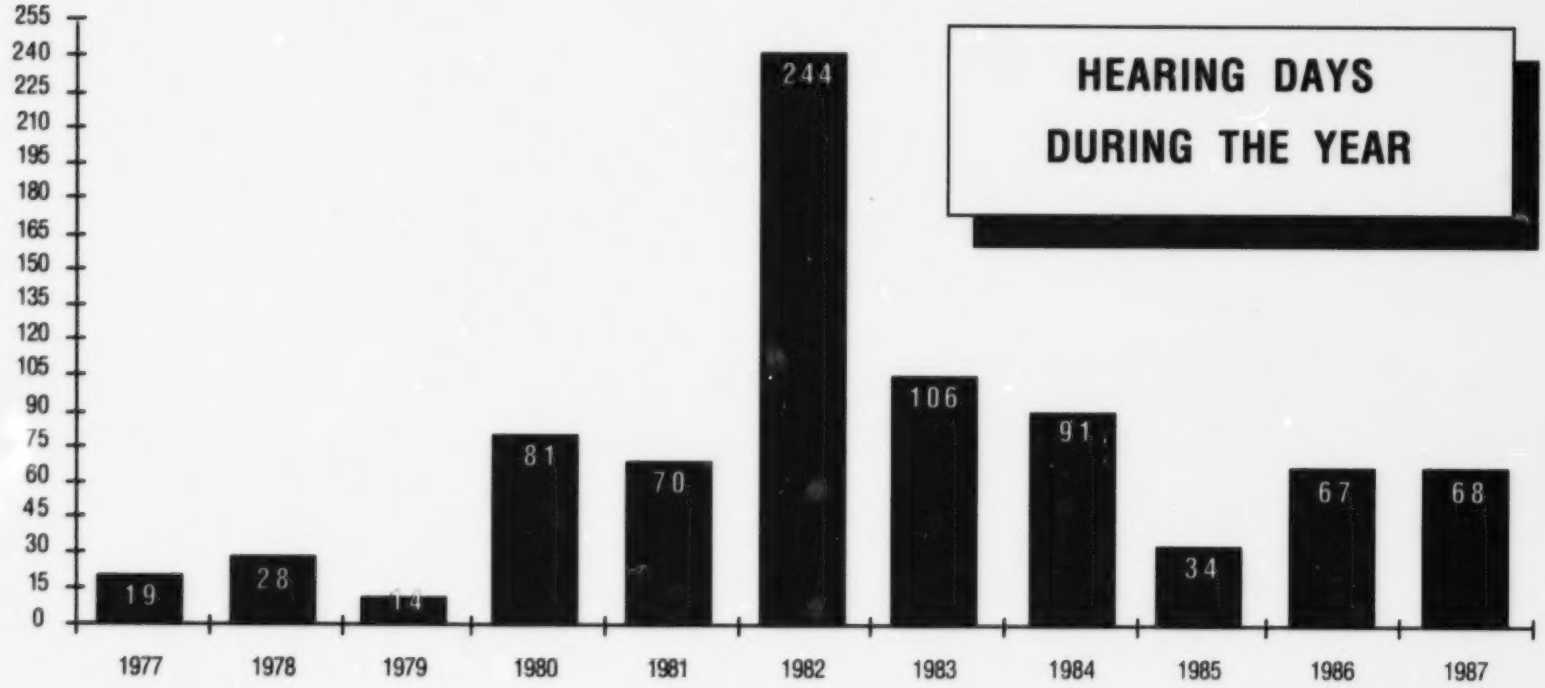


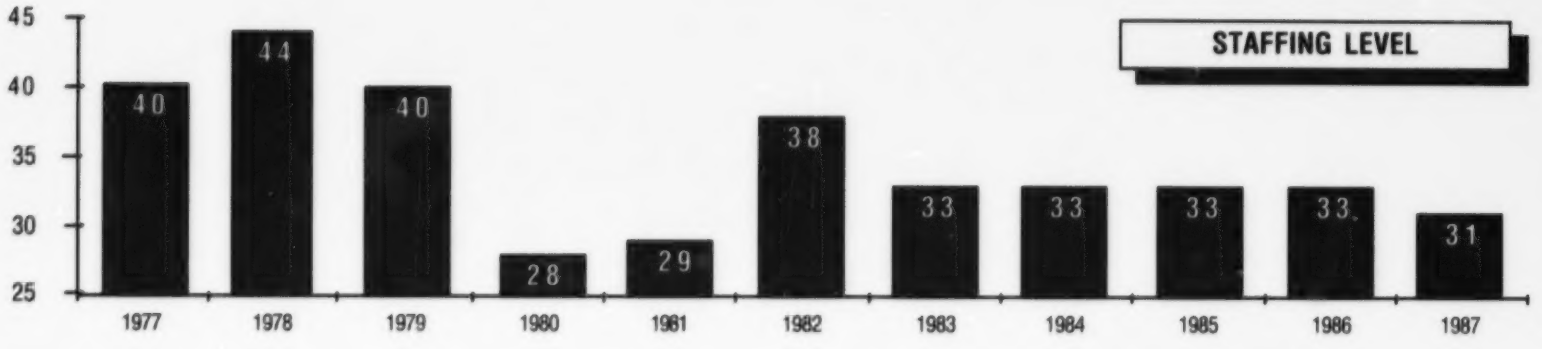
APPENDIX XII

APPENDIX XIII

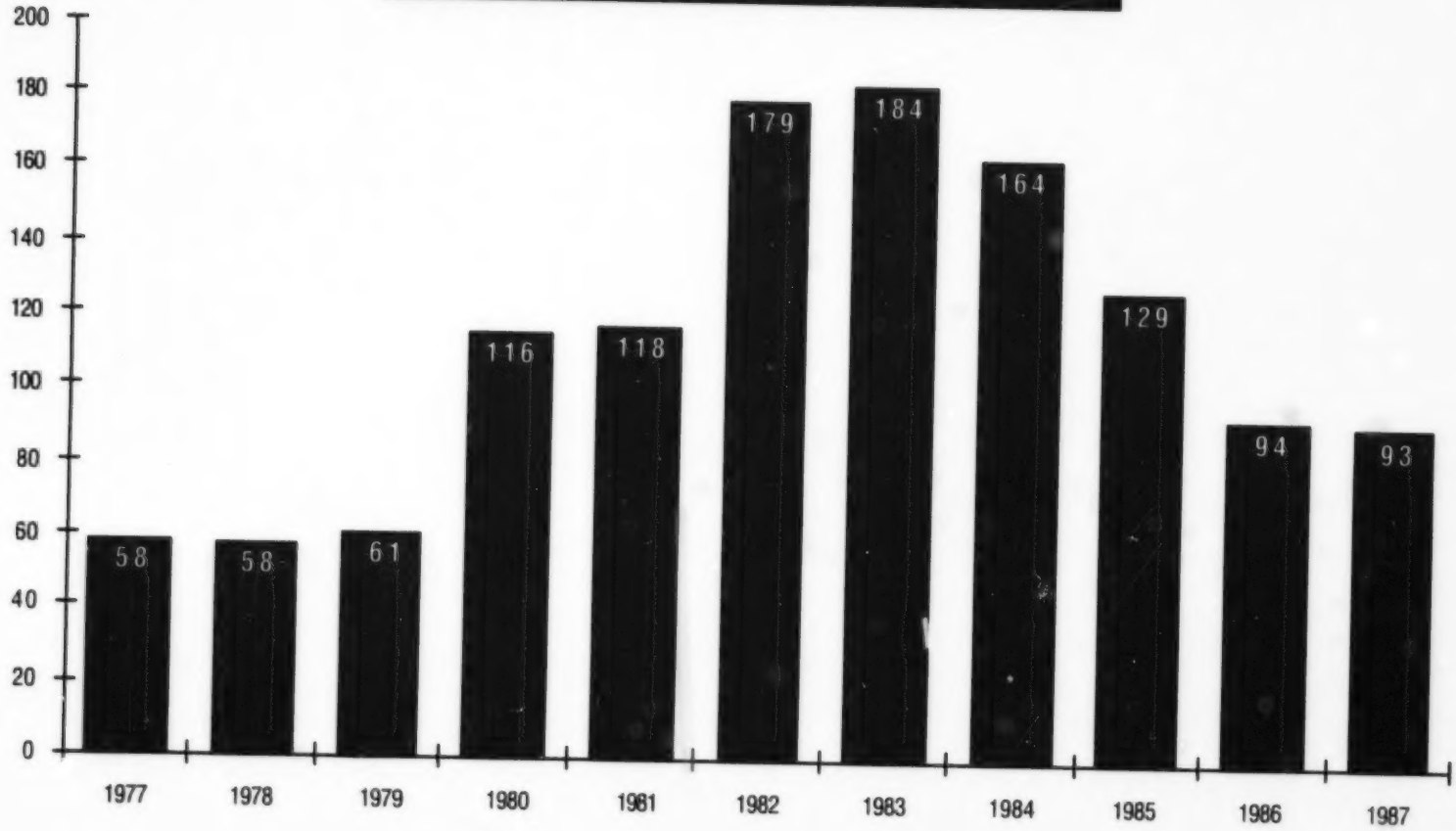
SUMMARY OF HEARING DAYS IN 1987

Date	Applicant	Application	Location	# of Days	# of Trans. Pages
January 19	UtiliCorp United Inc. and UtiliCorp British Columbia Ltd.	Takeover	Trail Kelowna	15	3,059
March 3	Inland Natural Gas Co. Ltd.	Rate Design	Prince George Vancouver	37	6,959
April 7	Canadian Forest Products and B.C. Hydro and Power Authority	Dispute	Woss, B.C.	2	447
September 9	Inland Natural Gas Co. Ltd.	Bypass	Prince George Vancouver	12	1,747
November 19	Inland Natural Gas Co. Ltd. Takeover of Squamish Gas	Takeover	Squamish	1	170
November 23	Whistler Distribution	Takeover	Whistler	1	91
TOTALS				68	12,473

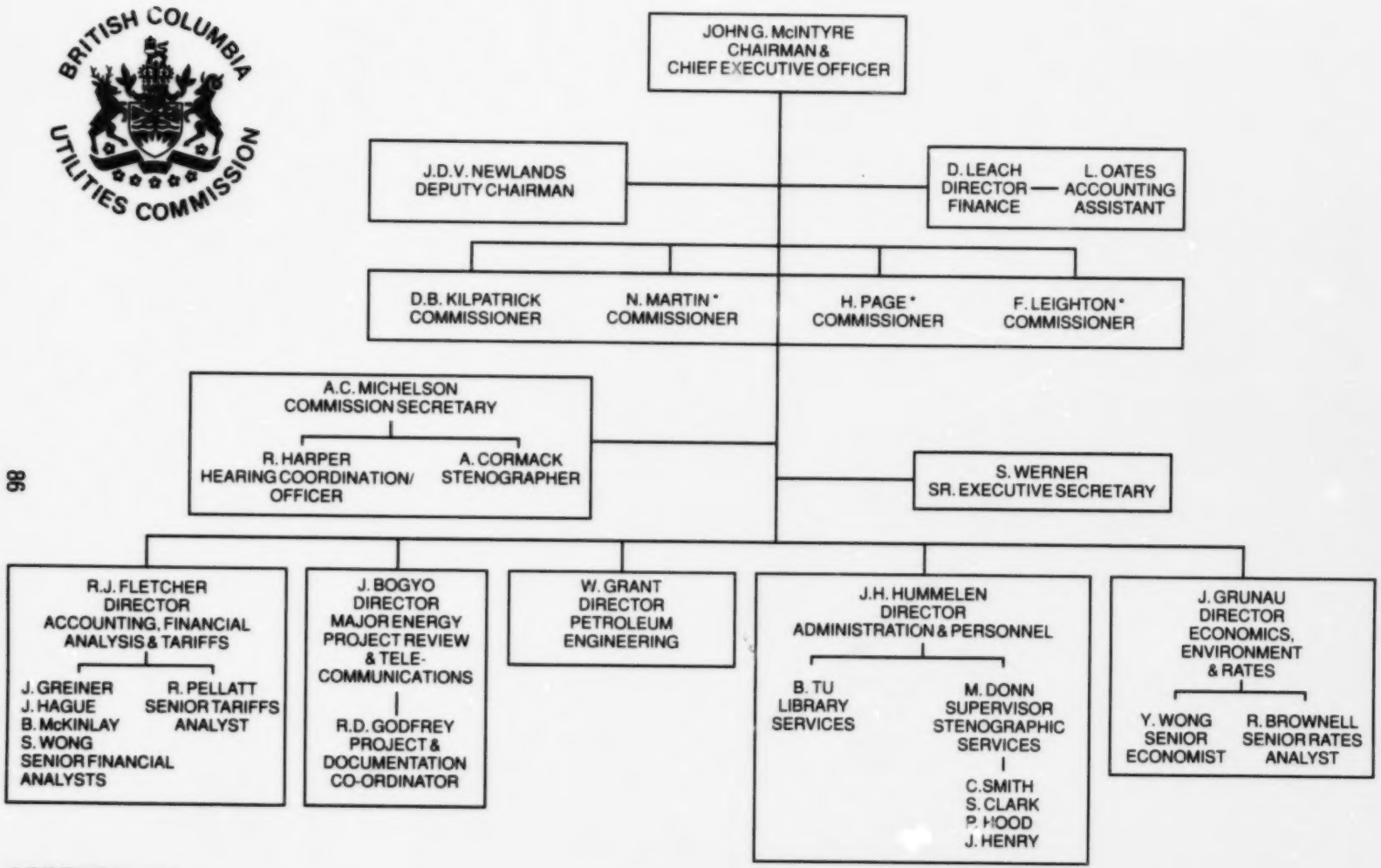

HEARING DAYS
DURING THE YEAR
255
240
225
210
195
180
165
150
135
120
105
90
75
60
45
30
15
0
19
28
14
81
70
244
106
91
34
67
68
1977
1978
1979
1980
1981
1982
1983
1984
1985
1986
1987


STAFFING LEVEL
45
40
35
30
25
40
44
40
28
29
38
33
33
33
33
31
1977
1978
1979
1980
1981
1982
1983
1984
1985
1986
1987

ORDERS ISSUED DURING YEAR



APPENDIX XIV

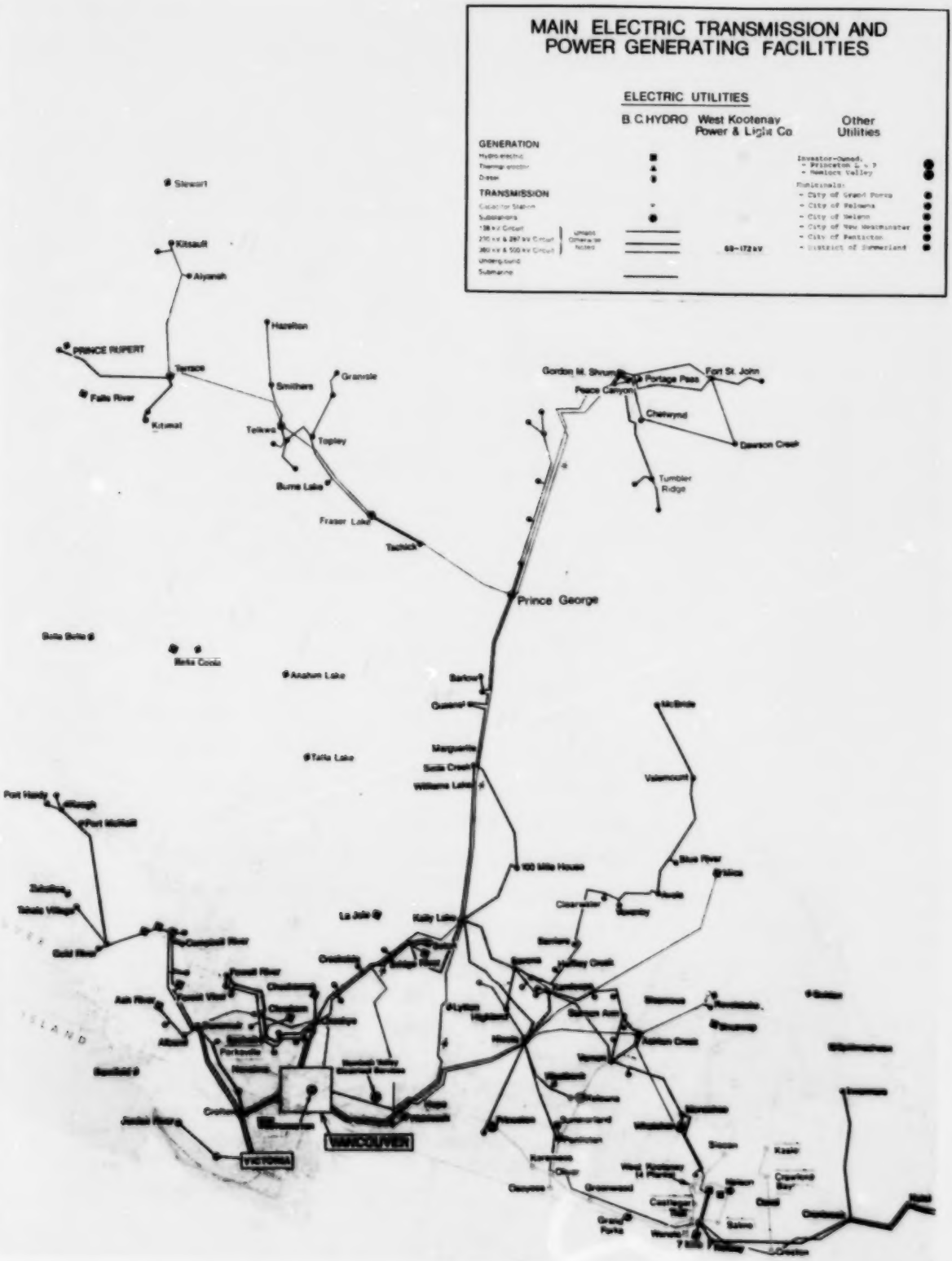


APPENDIX XV
DECEMBER 31, 1987

* Temporary commissioner

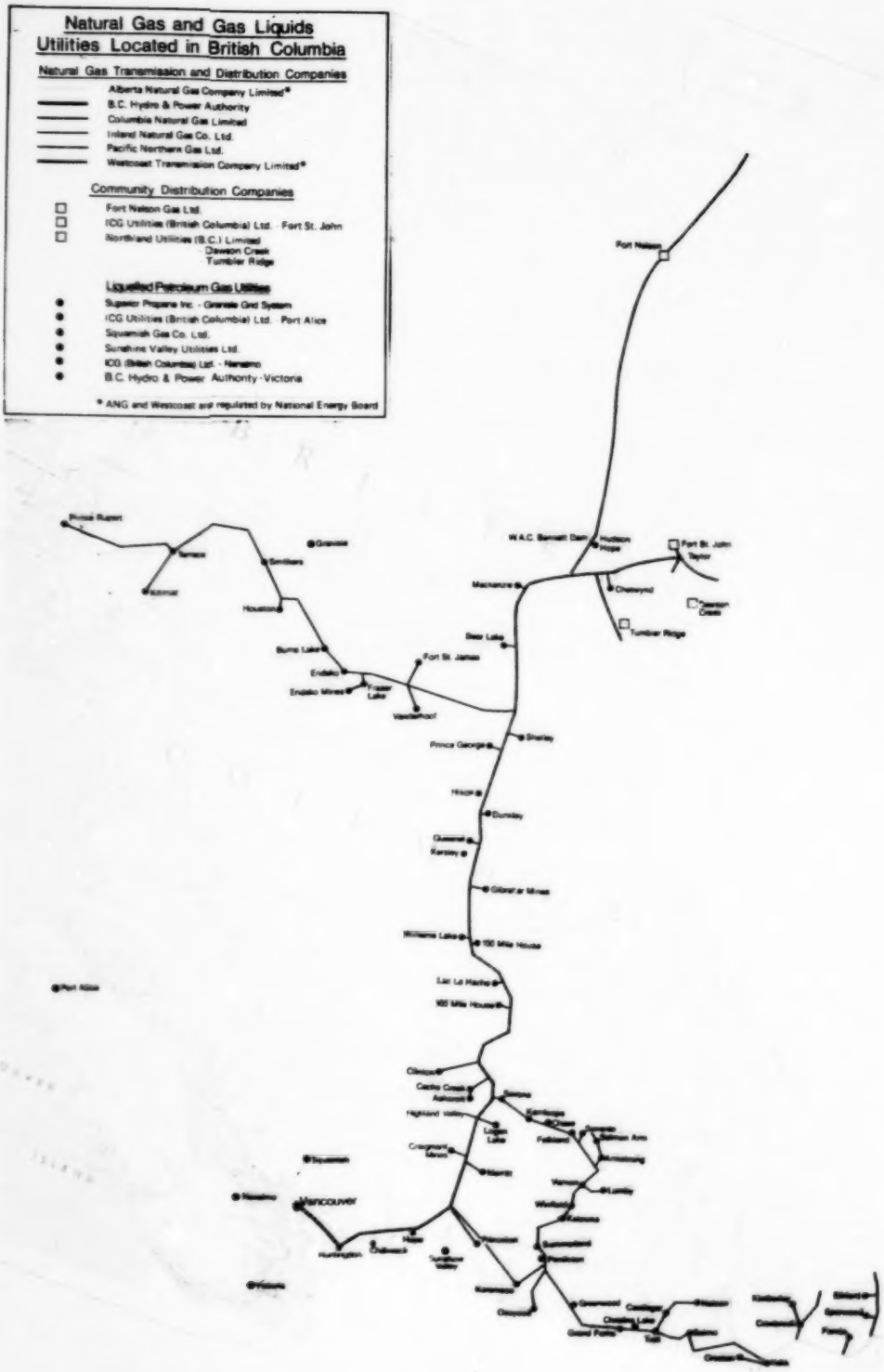
APPENDIX XVI

Main Electric Transmission Map



APPENDIX XVII

Natural Gas and Gas Liquids Map



APPENDIX XVIII

APPROXIMATE ENERGY CONVERSION FACTORS

Fuel Type	Conversion Factors: Original Measure		Terajoules
Coal	1 kilotonne	=	29.53
Coke	1 kilotonne	=	28.83
Petroleum Coke	1 megalitre	=	42.38
Coke Oven Gas	1 gigalitre	=	18.61
Natural Gas	1 gigalitre	=	38.35
Crude Oil	1 megalitre	=	38.51
Motor Gasoline	1 megalitre	=	34.66
Diesel Fuel Oil	1 megalitre	=	38.67
Light Fuel Oil	1 megalitre	=	38.67
Heavy Fuel Oil	1 megalitre	=	41.73
Aviation Gasoline	1 megalitre	=	33.52
Aviation Turbo Fuel	1 megalitre	=	35.93
Kerosene/Stove Oil	1 megalitre	=	37.68
Still Gas	1 megalitre	=	41.73
Gas Plant LPG's	1 megalitre	=	27.18
Refinery LPG's	1 megalitre	=	27.18
Propane	1 megalitre	=	25.50
Butane	1 megalitre	=	28.60
Hydro-Electricity	1 gigawatt hour	=	3.60
Thermal Electricity	1 gigawatt hour	=	3.60
Non-Energy Projects	1 megalitre	=	42.06
Hog Fuel	1 megalitre SWE*	=	7.69 - 9.10

(*SWE = Solid Wood Equivalent)

Kilo	=	10^3	
mega	=	10^6	
giga	=	10^9	
tera	=	10^{12}	
peta	=	10^{15}	

1 megalitre	=	1000 cubic metres
1 Btu	=	1054.615 joules
1 barrel	=	0.15891 cubic meters
1 cubic foot	=	0.02832784 cubic metres
1 gallon	=	4.54609 litres
1 cubic foot of natural gas	=	1030 Btu's

APPENDIX XIX

METRIC CONVERSION TABLE

The following conversion table is provided for the convenience of readers who may be more familiar with the Imperial System.

Approximate Conversion Factor

1 metre (m)	=	3.28	feet
1 kilometre (km)	=	0.62	mile
1 millimetre (mm)	=	0.039	inch
1 cubic metre (m^3) of oil	=	6.3	barrels
1 cubic metre (m^3) of natural gas	=	35.3	cubic feet
1 litre (L)	=	0.22	galion
1 kilogram (kg)	=	2.20	pounds
1 gigajoule (gJ)	=	0.95	MMBtu, or
		0.95	thousand cubic feet (Mcf) of natural gas at 1000 Btu/cf

Abbreviations

gigajoule (gJ)	=	10^9	J
terajoule (tJ)	=	10^{12}	J
petajoule (pJ)	=	10^{15}	J
exajoule (eJ)	=	10^{18}	J
kilowatt (kW)	=	10^3	watts
megawatt (MW)	=	10^3	kW
megawatt hour (MW.h)	=	10^3	kW.h
gigawatt hour (gW.h)	=	10^6	kW.h
terawatt hour (tW.h)	=	10^9	kW.h

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